



MONTGOMERY COUNTY GOVERNMENT

***Group Insurance
Summary Description***

Updated through October 1, 2010

Revised October 2010

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PURPOSE OF THE PLAN

The Choice and Select plans (the "Plan"), for eligible employees of Montgomery County, are benefit programs that allow you to design a personalized plan that best meets your needs. In addition, federal law, through Section 125 of the Internal Revenue Code, permits the County to offer certain benefits on a tax-favored (pre-tax) basis.

BENEFITS AVAILABLE

As an eligible employee of Montgomery County Government, you must have the following basic benefits, which you pay for through after-tax pay deductions:

- Basic term life, accidental death and dismemberment (AD&D), and business travel accident (BTA) insurance. Life insurance is optional for Circuit Court judges.
- Long term disability (LTD).

Please note:

- *Part-time employees are not eligible for LTD, unless they are members of the RSP or the GRIP.*
- *Employees of participating agencies who are members of the RSP or the GRIP are eligible for LTD.*

In addition to these basic benefits, you may elect to purchase other optional group insurance benefits through after-tax pay deductions:

- Additional term life and AD&D insurance.
- Dependent life insurance.

You may also elect to pay for the following optional benefits through pre-tax pay reductions:

- Medical.
- Dental.
- Vision.
- Prescription drugs.
- Health care reimbursement account.
- Dependent care reimbursement account.

If you are an employee of a Participating Agency, Municipality or Special Taxing District, you should contact your employer's Office of Human Resources (OHR) for information on the eligibility and enrollment applicable to you under the Montgomery County Plan.

The benefits available under the Plan are delivered through various providers, each with its own separate rules governing coverage and administration. These rules are explained in more detail in the individual benefit booklets. Copies are available from the OHR Benefits Team.

A listing of the individual benefits, as well as the highlights, can be found in the Addendum section.

In addition to the benefits available under the Plan, there is long term care insurance available through an insurance company. Please refer to the Long Term Care enrollment material for eligibility and enrollment information.

ELIGIBILITY

You are enrolled in the Choice Plan if you are:

- A permanent full-time or part-time employee of the County hired before October 1, 1994;
- A permanent full time or part-time employee of the County hired on or after October 1, 1994 who is represented by a collective bargaining unit; or
- A Circuit Court judge regardless of date of appointment to the bench.

You are enrolled in the Select Plan if you are:

- A permanent full-time or part-time employee of the County hired on or after October 1, 1994, who is not represented by a collective bargaining unit; or
- An elected or appointed official who was elected or appointed on or after October 1, 1994.

If you are full scope temporary or substitute employee of the County in the MCGEO bargaining unit, you are generally eligible to elect optional benefits during the first Open Enrollment six months after your most current date of hire under the Choice Plan. You are not eligible for the Basic Benefits.

You are enrolled in the Plan effective on your date of hire as an eligible employee. However, the effective dates of coverage for the certain benefits may be different and are determined by the terms of the individual benefits.

If your spouse or eligible domestic partner is also an employee or retiree of the County or a participating agency, and is eligible in his/her own right to enroll in a County benefit program, you are not restricted as to the benefits or coverage options you may elect (*subject to the note in the Addendum section under Dependent Life Insurance*). It is important, however, that you carefully coordinate your elections for benefits and coverage options with those of your spouse or eligible domestic partner.

Some of the benefits under the Plan are available for your eligible dependents. These benefits include medical, dental, vision and prescription drugs. Although individual benefits may define dependent differently, in general, eligible dependents include:

- Your spouse or eligible domestic partner (please refer to the separate *Domestic Partner Benefits* Affidavit document for complete eligibility requirements and tax implications).

- Your children (including the children of your eligible domestic partner) until the day of their 26th birthday. The term "children" includes any biological children, any adopted children, and any stepchildren. Children age 19 to 26 who are eligible for employer sponsored health coverage (e.g., through their employment or their spouse's employment) are not eligible. Children who are eligible for health coverage through their other parents' coverage are eligible for County coverage.
- An eligible dependent includes a child for whom you have legal guardianship. The child's coverage may continue until his/her 26th birthday if, before his/her 18th birthday, you had legal guardianship of the child and the child was covered under a County health plan.
- An unmarried child (including an unmarried child of your eligible domestic partner) age 26 and older who is incapable of self-support because of a mental or physical disability and who depends on you for support. If covered under a plan, the disability must have begun before the day of their 26th birthday.

Proof of eligibility is required before your dependents will have coverage. *See Proof of Eligibility for Dependents in the Addendum section.*

You are responsible for notifying the OHR Benefits Team when your dependents are no longer eligible for coverage. If you do not do so, you will be responsible for 100% of any claims incurred.

DOMESTIC PARTNER BENEFITS

County law requires that any employment benefit the County provides for the spouse of a County employee or the spouse's eligible dependents must be provided for the domestic partner of a County employee and the partner's eligible dependents.

What are the requirements for domestic partnership?

To establish a domestic partnership, you and your partner must *either*,

1) satisfy all of the following requirements:

- be the same sex (or opposite sex for members of the FOP or members of the IAFF);
- share a close personal relationship and be responsible for each other's welfare;
- have shared the same legal residence for at least 12 months;
- be at least 18 years old;
- have voluntarily consented to the relationship, without fraud or duress;
- not be married to, or in a domestic partnership with, any other person;
- not be related by blood or affinity in a way that would disqualify them from marriage under State law if the employee and partner were opposite sexes;
- be legally competent to contract; and
- share sufficient financial and legal obligations (described below in the section on *Required Evidence*).

or,

2) legally register the domestic partnership, if:

- *a domestic partnership registration system exists in the jurisdiction where the employee resides; and*
- *the OHR Benefits Team determines that the legal requirements for registration are substantially similar to the requirements listed under 1) above.*

What evidence is required for domestic partnership?

You must provide the following:

1) *either,*

- *an Affidavit For Domestic Partnership from the OHR Benefits Team signed in the presence of a notary public by both the employee and the employee's partner; or*
- *an official copy of the domestic partnership registration.*

and;

2) evidence that you and your partner share items described in at least 2 of the following (*this requirement does not apply to a qualified, registered domestic partnership*):

- a joint housing lease, mortgage, or deed;
- joint ownership of a motor vehicle;
- a joint checking or credit account;
- designation of the partner as a primary beneficiary of the employee's life insurance, retirement benefits, or residuary estate under a will; or
- designation of the partner as holding a durable power of attorney for health care decisions regarding the employee.

Under which group insurance plans may I enroll my domestic partner and my partner's eligible dependents?

You may enroll your domestic partner and your partner's eligible dependents in your medical plan, your prescription plan, your dental plan and your vision plan. The life insurance policy does not allow for life insurance to be extended to a domestic partner or a partner's dependents.

Please note that, reimbursements cannot be made from your Health Care Reimbursement Account of expenses incurred by your domestic partner or your partner's eligible dependents, if they are not your legal tax dependents. The also applies to the Dependent Care Reimbursement Account (in addition to other requirements).

How do I enroll my domestic partner and my partner's eligible dependents in my group insurance plans?

After filing your partnership with OHR you have 60 days to enroll your domestic partner and partner's eligible dependents. You must:

- complete a benefit enrollment form, if your level of coverage will change (e.g., single to family);
- complete a dependent information form, adding your domestic partner and your partner's eligible dependents (*please note that proof of eligibility, such as a birth certificate, is required to add your partner's eligible dependents to your group insurance plans*); and
- complete any forms required by your group insurance plan to add a dependent.

If your forms are not received by the OHR Benefits Team within 60 days of filing a domestic partnership affidavit with all required supporting evidence; you will have to wait until the next enrollment period to add your domestic partner and your partner's eligible dependents, to be effective the next plan year.

What are the tax implications?

If you cover dependents who do not qualify as tax dependents under the Internal Revenue Code, the value of the County's contribution toward that coverage is considered taxable wages and is also subject to tax withholding. This is *imputed income*. In addition, active employees will have to pay a portion of the group insurance costs with after tax deductions.

The County assumes that neither your domestic partner nor your partner's eligible dependents qualify as tax dependents, unless you provide acceptable documentation.

For more information, contact the OHR Benefits Team.

What if my domestic partnership ends?

Should your relationship with your domestic partner end, or you no longer meet the domestic partnership requirements, the domestic partner and the partner's eligible dependents are no longer eligible for coverage under Montgomery County's group insurance and retirement plans. You must notify the OHR Benefits Team (on an approved Statement of Dissolution of Domestic Partnership form) within 30 days of the termination event. Benefits will terminate and the domestic partner and the partner's eligible dependents may be able to continue their health coverage under COBRA.

ENROLLMENT

To enroll in the Plan, you must elect the benefits.

Each year, the County has an enrollment period during which you may elect benefits for the upcoming calendar year. This enrollment period usually begins in late October/early November and ends sometime later in November. During open enrollment, you elect your benefits for the upcoming calendar year. Your election also serves as your authorization for after-tax pay deductions and pre-tax pay reductions for the benefits you elect.

During August 2010, there was a special enrollment period due to the Patient Protection and Affordable Care Act (PPACA). PPACA requires plans to extend coverage to eligible dependent children until the day of their 26th birthday regardless of student status, residency, marital status and financial support. Individuals whose coverage ended, or who were denied coverage (or were not eligible for coverage), because the County plans did not provide for dependent coverage of children until their 26th birthday regardless of student status, residency, marital status and financial support status are now eligible to enroll. For those who submitted properly completed election forms and required documentation, coverage was effective September 1, 2010.

Should you become eligible for the Choice or Select Plan during the year (e.g., a newly hired employee), you will be provided material to elect your benefits for the remainder of the year.

Generally, your elections will not be effective until you have submitted a completed election form to the OHR Benefits Team, along with the required supporting documentation.

Pay deductions and/or pay reductions applicable to your benefit elections will commence on a non-pro rated basis as soon as practicable, without regard to the pay period.

FAILURE TO SUBMIT AN ELECTION FORM

If you fail to submit a benefit election form before the end of an enrollment period, you will be deemed to have elected the following default coverage and authorized the pay deductions and/or pay reductions:

Please note that the default coverage elections are in addition to the mandatory basic benefits of term life, AD&D, BTA and LTD (if applicable).

- The medical, dental, vision, prescription drugs, additional term life and AD&D insurance, and dependent life insurance currently in effect.
- No allocation to dependent care or health care reimbursement accounts.

If, due to a change in employment status, you are no longer eligible to participate in your current benefit plan (i.e., Choice or Select) and become eligible for the other benefit plan during the calendar year, you will be deemed to have elected the same (or comparable) coverage you received under your previous elections (including the allocation to both the dependent care and health care reimbursement accounts in effect). You are also deemed to have authorized the pay deductions and/or pay reductions applicable to the benefits until you submit a benefit election. You may submit a benefit election form within 60 days of the status change; however, any benefit election change must be consistent with your change in employment status.

If you are a newly hired employee or are newly eligible for benefits, and fail to submit a benefit election form within 60 days of your hire date or status change, you will be deemed to have elected **no** coverage for the remainder of the calendar year, with the exception of the mandatory basic benefits of term life, AD&D, BTA and LTD (if applicable).

Please note that in order to participate in the dependent care and health care reimbursement accounts, each year you must make an election during the enrollment period. If you participate in these accounts and fail to submit an election during the enrollment period, you will be deemed to have made an election not to participate for the upcoming calendar year.

CHANGING YOUR BENEFIT ELECTIONS

You may elect new benefits each year. Keep in mind that your choices are in effect for the entire calendar year, and can only be changed during the year if you have a change in status. Status changes include:

Legal marital status. Events that change your legal marital status such as marriage, the death of a spouse, divorce and annulment.

Domestic partnership. Entering into or dissolving a domestic partnership.

Number of dependents. Events that change the number of your dependents such as birth, death, adoption and placement for adoption of a child.

Employment status. The following events that change your, your spouse's or dependent's employment status:

- A termination or commencement of employment;
- A strike or lockout;
- A commencement of or return from an unpaid leave of absence; or
- A change in a worksite.

This category also includes a change in your employment status or the employment status of a dependent, in which you or your dependent become (or cease to be) eligible for coverage under a plan.

Dependent's eligibility for coverage. Events that cause your dependent to satisfy or cease to satisfy eligibility requirements for coverage such as attainment of a certain age, change in dependent status or change in employment.

Residence. A change in your, your spouse's or dependent's residence.

Special rule for court-ordered health coverage of child. A judgment, decree or order resulting from a divorce, legal separation, annulment or change in legal custody (including a qualified medical child support order) that requires you to provide coverage for your child.

You may also cancel coverage for the child if the order requires your spouse, former spouse or another individual to provide coverage for the child.

Special rule for Medicare or Medicaid entitlement. You may be able to make a prospective election change to cancel or reduce coverage under the Plan if you, your spouse or dependent who is enrolled in the Plan becomes entitled to Medicare or Medicaid coverage or if you lose premium assistance from your state under the Children's Health Insurance Program.

Conversely, if you, your spouse, or dependent loses eligibility for Medicare or Medicaid coverage or become eligible for premium assistance from your state under the Children's Health Insurance Program, you may make a prospective election to commence or increase coverage under the Plan.

Dependent care – cost changes. You may change your election for your dependent care reimbursement account in the event of a cost change, but only if your dependent care provider is *not your relative*, as defined in the Internal Revenue Code.

Dependent care – coverage changes. You may change your election for your dependent care reimbursement account when your dependent care provider is replaced by another.

The occurrence of a special enrollment period under HIPAA. For example, you may change your election if you lose coverage under another plan.

Other special circumstances. Other special circumstances that may permit you to change your elections include cost and coverage changes to a health plan, such as a significant change in your health coverage or your spouse's coverage. You may also elect changes to correspond with your spouse's open enrollment period.

Please Note:

- Changes in benefit elections must correspond with the change in status that affects eligibility for coverage under the Plan.
- Depending upon your change in status, you may revoke or decrease your elections for medical, dental, vision, prescription drugs, additional term life and AD&D insurance, dependent life insurance and the dependent care reimbursement account. However, you may only increase your pay reduction election to the health care reimbursement account.
- A change in status does not permit you to revoke the mandatory basic benefits.

Active Employee – If you have a change in status or experience one of the circumstances described above, you must submit the proper forms and supporting documentation to verify the event to the OHR Benefits Team within 60 days of the event occurring. Changes in group insurance elections will be effective on the day the completed forms and supporting documentation are submitted to the OHR Benefits Team within the 60 day timeframe. If the status change is the birth, adoption or placement for adoption of a child, any group insurance elections will be retroactive to the child's date of birth, date of placement for adoption or date of adoption. Any adjustments to your pay deductions and/or pay reductions applicable to your election change will commence on a non-pro rated basis as soon as practicable, without regard to the pay period. If you do not make the proper notification within 60 days, you must wait until the next enrollment period to make any election changes.

Retiree – If you have a change in status or experience one of the circumstances described above, you must submit the proper forms and supporting documentation to verify the event to the OHR Benefits Team within 60 days of the event. If the status change is the birth, adoption or placement for adoption of a child, any group insurance elections will be retroactive to the child's date of birth, date of placement for adoption or date of adoption. Other status change elections will be effective on the first day of the month following submission to the OHR Benefits Team provided the submission is received and processed by the 20th day of the month (or the last business day before the 20th of the month if the 20th falls on a weekend or holiday). If OHR Benefits receives the forms after the 20th of the month, the effective date of the status change will start on the first day of the second month.

It is recommended that you notify OHR Benefits promptly as a status change could change your level of enrollment and your monthly premium.

Any adjustments to your premiums applicable to your change of status will commence on the effective date of the change in status (e.g., the first day of the month following notification if proper

notice given before the 20th day of the month). If you do not make the proper notification within 60 days, you must wait until the next enrollment period to make any election changes.

MISSED ALLOCATIONS

You are responsible for your share of the costs associated with your benefit elections. Should your pay be insufficient to cover the portion of those costs allocated to you each pay period, those missed allocations will be collected from future paychecks during the year. If it is not possible to collect the missed allocations during the year, your coverage may be canceled.

LEAVE OF ABSENCE

If you are on an approved paid leave of absence, your coverage will continue on the same basis as before the leave commenced.

If you are on an approved unpaid leave of absence that is covered under either the Family and Medical Leave Act of 1993 ("FMLA") or the Uniformed Services Employment and Reemployment Act of 1994 ("USERRA") or parental leave:

- You may continue to be covered under the same benefit elections in effect prior to the leave or you may revoke your elections (under FMLA, you may not be eligible, in some circumstances, to participate in the dependent care reimbursement account).
- While on leave, you will be responsible for your share of the costs associated with your benefit elections; any amounts not paid will be recovered from future pay checks when you return to work. If you do not return to work, you are still responsible for your share of the costs. If your leave is covered under FMLA, you may pre-pay your share of the costs associated with your benefit elections prior to the commencement of the leave. If your leave spans two plan years, you may not pre pay on a pre tax basis for any coverage in the second plan year.
- Unless you revoked your election, when you return to work, the pay deductions and any pay reductions applicable to your benefit elections will commence automatically. If you revoked coverage, you have 60 days from the date you return to work to reelect coverage. If you do not reelect coverage, you will be deemed to have the coverage described under "Failure to Submit an Election Form"

If you are on an approved unpaid leave of absence that is not covered under FMLA or USERRA:

- You may continue to be covered under the same benefit elections in effect prior to the leave; the time period for such continuation is established under the County's leave without pay policy (which may be modified by collective bargaining agreements) and may vary according to the reason for your unpaid leave of absence; also, the time period for continuation may be shorter than your approved leave and you may become eligible for COBRA.
- While on leave, you will be responsible for and billed for your share of the costs associated with your benefit elections; when you return to work, the pay deductions and any pay

reductions applicable to your benefit elections will commence automatically. If you do not return to work, you are still responsible for your share of the costs.

- If you fail to pay your share of the costs associated with your benefit elections while on leave, your coverage will be canceled and you will not be eligible for COBRA continuation.
- If your approved leave extends beyond the time period for coverage continuation under the County's leave without pay policy (which may be modified by collective bargaining agreements), you may continue coverage under COBRA (see below).

These are only the general provisions which permit you to continue coverage during an approved leave of absence. There are other rules that can affect your eligibility to continue coverage and participate in the Plan. It is important that you contact the OHR Benefits Team before any leave of absence, so you can receive information specific to your situation.

CONTINUATION OF COVERAGE (COBRA)

COBRA continuation coverage is a temporary extension of coverage under the Plan. **The following information generally explains COBRA continuation coverage, when it may become available to you and your family, and what you need to do to protect the right to receive it.**

The right to COBRA continuation coverage was created by a federal law, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). COBRA continuation coverage can become available to you when you would otherwise lose your group health coverage. It can also become available to other members of your family who are covered under the Plan when they would otherwise lose their group health coverage.

What is COBRA continuation coverage?

COBRA continuation coverage is a continuation of Plan coverage when coverage would otherwise end because of a life event known as a "qualifying event." After a qualifying event, COBRA continuation coverage must be offered to each person who is a "qualified beneficiary." You, your spouse (including an eligible domestic partner), and your dependent children (including the eligible children of your domestic partner) could become qualified beneficiaries if coverage under the Plan is lost because of the qualifying event. Under the Plan, qualified beneficiaries who elect COBRA continuation coverage must pay for COBRA continuation coverage.

If you are an employee, you will become a qualified beneficiary if you lose your coverage under the Plan because either one of the following qualifying events happens:

- Your hours of employment are reduced; or
- Your employment ends for any reason other than your gross misconduct.

If you are the spouse of an employee, you will become a qualified beneficiary if you lose your coverage under the Plan because any of the following qualifying events happens:

- Your spouse dies;
- Your spouse's hours of employment are reduced;
- Your spouse's employment ends for any reason other than his or her gross misconduct;
- Your spouse becomes enrolled in Medicare (under Part A, Part B, or both); or
- You become divorced or legally separated from your spouse.

Your dependent children will become qualified beneficiaries if they lose coverage under the Plan because any of the following qualifying events happens:

- The parent-employee dies;
- The parent-employee's hours of employment are reduced;
- The parent-employee's employment ends for any reason other than his or her gross misconduct;
- The parent-employee becomes enrolled in Medicare (Part A, Part B, or both);
- The parents become divorced or legally separated; or
- The child stops being eligible for coverage under the plan as a "dependent child."

When is COBRA coverage available?

The Plan will offer COBRA continuation coverage to qualified beneficiaries only after the Plan Administrator has been notified that a qualifying event has occurred. When the qualifying event is the end of employment or reduction of hours of employment, death of the employee, or the employee becoming enrolled in Medicare (under Part A, Part B, or both), the employer must notify the Plan Administrator of the qualifying event.

You must give notice of some qualifying events.

For the other qualifying events (divorce or legal separation of the employee and spouse or a dependent child's losing eligibility for coverage as a dependent child), you must notify the Plan Administrator, in writing or by e-mail, within 60 days after the qualifying event occurs. You must provide this written notice to:

The Office of Human Resources, Benefits Team
101 Monroe Street, 7th floor
Rockville, Maryland 20850

If timely notice is not provided, no continuation coverage will be offered.

How is COBRA coverage provided?

Once the Plan Administrator receives notice that a qualifying event has occurred, COBRA continuation coverage will be offered to each of the qualified beneficiaries. Each qualified beneficiary will have an independent right to elect COBRA continuation coverage. Covered employees may elect COBRA continuation coverage on behalf of their spouses, and parents may elect COBRA continuation coverage on behalf of their children.

COBRA continuation coverage is a temporary continuation of coverage. When the qualifying event is the death of the employee, the employee's enrollment in Medicare (under Part A, Part B,

or both), your divorce or legal separation, or a dependent child's losing eligibility as a dependent child, COBRA continuation coverage lasts for up to a total of 36 months.

When the qualifying event is the end of employment or reduction of the employee's hours of employment, and the employee enrolled in Medicare less than 18 months before the qualifying event, COBRA continuation coverage for qualified beneficiaries other than the employee may be able to last up to 36 months after the date of Medicare entitlement. For example, if a covered employee becomes entitled to Medicare 8 months before the date on which his employment terminates, COBRA continuation coverage for his spouse and children may be able to last up to 36 months after the date of Medicare enrollment, which is equal to 28 months after the date of the qualifying event (36 months minus 8 months).

When the qualifying event is the end of employment or reduction of the employee's hours of employment, COBRA continuation coverage generally lasts for only up to a total of 18 months. There are two ways in which this 18-month period of COBRA continuation coverage can be extended:

1. ***Disability extension of 18-month period of continuation coverage.*** If you or anyone in your family covered under the Plan is determined by the Social Security Administration to be disabled and you notify the Plan Administrator, in writing, you and your entire family may be entitled to receive up to an additional 11 months of COBRA continuation coverage, for a total maximum of 29 months. The disability would have to have started at some time before the 60th day of COBRA continuation coverage and you must notify the Plan Administration before the end of the 18 month continuation period. If the person ceases to be disabled this extension does not apply. You must provide this written notice, including the Social Security determination to:

The Office of Human Resources, Benefits Team
101 Monroe Street, 7th floor
Rockville, Maryland 20850

If timely notice is not provided, no continuation coverage will be offered.

2. ***Second qualifying event extension of 18-month period of continuation coverage.*** If your family experiences another qualifying event while receiving 18 months of COBRA continuation coverage, the spouse and dependent children in your family can get up to 18 additional months of COBRA continuation coverage, for a maximum of 36 months, if you provide written notice of the second qualifying event to the Plan Administrator within 60 days of the second qualifying event. This extension may be available to the spouse and any dependent children receiving continuation coverage if the employee or former employee dies, or gets divorced or legally separated, or if the dependent child stops being eligible under the Plan as a dependent child, but only if the event would have caused the spouse or dependent child to lose coverage under the Plan had the first qualifying event not occurred. You must provide this written notice to:

The Office of Human Resources, Benefits Team
101 Monroe Street, 7th floor
Rockville, Maryland 20850

If timely notice is not provided, no continuation coverage will be offered.

Termination of Continuation Coverage

Continuation coverage will be terminated before the end of the maximum period if:

- The required premium is not paid in full on time;
- A qualified beneficiary becomes covered, after electing continuation coverage, under another group health plan that does not impose any pre-existing condition exclusion for a pre-existing condition of the qualified beneficiary;
- A qualified beneficiary becomes enrolled in Medicare (under Part A, Part B, or both) after electing continuation coverage;
- The employer ceases to provide any group health plan for its employees; or
- Coverage was extended due to disability and the person is no longer disabled.

Keep Your Plan Informed of Address Changes

In order to protect your family's rights, you should keep the Plan Administrator informed of any changes in the addresses of family members. You should also keep a copy, for your records, of any notices you send to the Plan Administrator.

COBRA Subsidy for Assistance Eligible Individuals

The American Recovery and Reinvestment Act provides for a federal subsidy of 65 percent of the COBRA continuation coverage premiums for "assistance eligible individuals" (AEI). An AEI is any qualified beneficiary that is eligible for COBRA continuation coverage because of the covered employee's involuntary termination of employment (for reasons other than gross misconduct) occurring between September 1, 2008 and May 31, 2010, and elects such continuation coverage.

NOTE: Because an individual must be a qualified beneficiary under COBRA, an AEI does not include domestic partners or any other individual that is not a spouse (as defined by federal law) or a dependent child. Although the subsidy applies to any coverage selected by an AEI (including coverage for a domestic partner, if permitted by the plan), any person that is not a qualified beneficiary would not have an independent right to the subsidy if the covered employee does not elect coverage.

The COBRA subsidy begins on the first day of your COBRA period (but not before February 17, 2009) and ends on the earliest of the following:

1. 15 months after the first day of the first month in which your COBRA subsidy begins;

2. The first day of the month beginning on or after the date that you become eligible for other group health plan coverage or Medicare. You must provide notice if you become eligible for other coverage.

NOTE: If you are eligible for other group health coverage or Medicare on the date that your subsidy would otherwise begin, you are not eligible for the subsidy.

3. The date that COBRA is exhausted. Once the COBRA subsidy ends (and if your COBRA continuation coverage is not yet exhausted or terminated), you must pay the full COBRA premium to retain coverage for the remainder of the COBRA continuation coverage period.

Individuals with income over \$125,000 (\$250,000 for joint filers) are not eligible for the subsidy.

IN THE EVENT OF YOUR DEATH

As a retiree or an active employee who meets the eligibility requirements for group insurance benefits for retired employees (using your date of death as your separation from service date), your eligible surviving spouse or eligible domestic partner may elect coverage under the benefit plans available to retirees, as if he/she was the retiree, under the same terms and conditions as you, except that your surviving spouse or eligible domestic partner may only cover other dependents who were eligible for coverage at the time of your death, including an unborn child. See the section titled *Group Insurance Benefits For Retired Employees* for eligibility details.

Should you die as an active employee and **not** meet the eligibility requirements for group insurance benefits for retired employees (using your date of death as your separation from service date), your eligible dependent(s) may continue coverage under the benefit plans available to retirees for the period of time equal to the number of years of your eligibility under the group insurance plan. Your surviving spouse or eligible domestic partner may only cover other dependents who were eligible for coverage at the time of your death, including an unborn child. The County cost share during that period will be the same as was in effect at the time of your death. When that period ends, coverage under the benefit plans will end subject to continuation of coverage under COBRA.

TAX ADVANTAGE

Most of the benefits available in the Plan are purchased pre-tax. This results in a tax-effective way to share the cost of your benefit elections because your contributions are not subject to federal income tax, Social Security taxes (FICA), and most state and local taxes.

Participation in the health care and dependent care reimbursement accounts also provides a tax-efficient means to pay for certain eligible non-reimbursed health care and dependent care expenses.

YOUR SOCIAL SECURITY BENEFIT

Because pre-tax benefit costs and the reimbursement account contributions reduce the amount you pay in Social Security taxes (FICA), they may cause your Social Security benefits to be reduced.

CONTINUATION OF THE PLAN

The County expects to continue the Plan, but it is the County's position that there is no implied contract between employees and the County to do so, and reserves the right at any time and for any reason to amend or terminate the Plan, subject to the County's collective bargaining agreements.

The Plan may also be amended by the County at any time, either prospectively or retroactively, to conform with the Internal Revenue Code.

CLAIMS AND APPEALS

In general, any denial of a claim for benefits must be in writing to you and must state the reason for the denial. You will be provided a reasonable opportunity to file a written request for a review of the decision denying the claim. Each individual benefit under the Plan has its own procedures for making claims and for appealing denied claims. The procedures contain important information regarding time limits for requesting a review. If you do not request a review in a timely manner, your claim will remain denied. These procedures are described in the individual benefit booklets available from the OHR Benefits Team.

PLAN TERMINATION

Should the Plan ever be terminated, the County will pay benefits payable on the date of termination.

PLAN DOCUMENT

This Summary Description only highlights the benefits contained in the Plan; the official Plan document and benefit booklets will always control, even when conflicts arise between the language of the Summary Description and the Plan document itself. A copy of the Plan document may be obtained upon written request to the OHR Benefits Team. A reasonable charge may be made for copying this material.

GROUP INSURANCE BENEFITS FOR RETIRED EMPLOYEES

The following is a summary of the group insurance benefits available at retirement. The information presented reflects ***current benefits and policies*** only. They are applicable to:

- employees who retire on or after January 1, 2001,
- those who were already retired as of January 1, 2001, provided they were enrolled in group insurance benefits as of December 31, 2000, and
- those who were already retired as of January 1, 2001 and were **not** enrolled in group insurance benefits as of December 31, 2000, but re-enrolled into group insurance during the special window opportunity provided under the Council Resolution *Retiree Re-election Opportunity for Group Insurance Cost Sharing* approved March 5, 2002.

The County expects to continue the group insurance benefits, but it is the County's position that there is no implied contract between retired employees and the County to do so. The

County reserves the right at any time and for any lawful reason to amend or terminate its group insurance benefits and policies for retired employees.

These group insurance benefits may also be amended by the County at any time, either prospectively or retroactively, to comply with the Internal Revenue Code.

ELIGIBILITY

If you are a member of the optional or integrated plan under the Montgomery County Employees' Retirement System (ERS) and retire under a normal, early, disability or discontinued service retirement, you are eligible for group insurance benefits. However, you are **not** eligible for group insurance benefits if you leave County service prior to retirement eligibility with a deferred vested benefit payable upon your normal retirement date.

If you are a member of the Montgomery County Elected Officials' Plan (EOP, Group ZK), the Retirement Savings Plan (RSP, Group RN, RM, RC, RP), or the Guaranteed Retirement Income Plan (GRIP, Group CN, CM, CC, CP, CZ), you are eligible for group insurance upon separation from service if your age and credited service under a County Retirement Plan at the time of separation from service meet the following:

<i>If you belong to Group</i>	<i>And you have credited service of at least</i>	<i>And your age is at least</i>
RN, RM RC; or	5 years	60
CN, CM, CC, CZ; or	15 years	50
ZK	20 years	45
RP, CP - Police,	15 years	45
Corrections, Sheriffs	20 years	41
RP, CP - Fire	20 years	Any age

If you qualify for a disability benefit under the EOP, RSP or GRIP and do not meet the minimum age and credited service criteria described above, you will be eligible for group insurance continuation as follows:

- if your disability is determined to be a non-service connected disability under the EOP, RSP or GRIP, your eligibility for group insurance benefits will continue for the duration of the initial and continued disability, provided you had 5 years of credited service prior to becoming disabled;
- if your disability is determined to be a service connected disability under the EOP, RSP or GRIP, your eligibility for group insurance benefits will continue for the duration of the initial and continued disability.

If you do not meet the criteria above, you are not eligible for group insurance when you leave County service, except as provided under COBRA (see Continuation of Coverage (COBRA)).

IN THE EVENT YOU RETURN TO WORK FOR THE COUNTY

As a retiree eligible for County group insurance, if you return to work for the County or a participating agency in a position eligible for County group insurance, your participation in retiree group insurance will cease during your period of re-employment. You will be eligible to participate in one of the County's group insurance programs for active employees, as determined by program eligibility guidelines as of your date of rehire. When you again leave County (or participating agency) employment, you may resume participation in the retiree group insurance program you had when you initially separated from service, including the life insurance amount in effect at that time, subject to any reductions which would have occurred during your time of re-employment, as well as the cost share arrangement that was in effect. Alternately, you may participate in the retiree group insurance program coinciding with the active program you had during your re-employment. In the latter case, your total years of eligibility for County group insurance will be considered for cost sharing determination purposes and your salary as of the end of your re-employment will be the basis for determining your initial post retirement life insurance amount.

In extenuating circumstances, you may be able to retain some or all of your retiree group insurance, as long as there is no duplication between coverage as a retiree and active coverage. Such circumstances would include cases where moving into a group insurance program for active employees would increase your costs and/or decrease your coverage. However, if you elect to participate in any of the benefits under the group insurance program for active employees, you must participate in the mandatory benefits under that program.

BENEFITS AVAILABLE

Unless otherwise stipulated in collective bargaining agreements, retirees are not eligible for the following benefits, currently available to active employees:

- BASIC ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE
- BUSINESS TRAVEL ACCIDENT INSURANCE
- VISION PLAN (ACTIVE EMPLOYEES)
- DENTAL DHMO (ACTIVE EMPLOYEES)
- HEALTH CARE REIMBURSEMENT ACCOUNT
- DEPENDENT CARE REIMBURSEMENT ACCOUNT
- OPTIONAL LIFE INSURANCE (UNLESS IN EFFECT AT RETIREMENT)

You may be able to continue your vision coverage and your health care reimbursement account coverage through COBRA, if you had coverage at the time of retirement.

ELECTING YOUR BENEFITS AT RETIREMENT

At the time of your retirement, you may elect medical, dental, vision, and prescription coverage. For each of these benefits you elect, you may also elect coverage for your eligible dependents. You may also elect to continue your dependent and optional life insurance into retirement. Each election can be made independent of other elections made. Term life insurance is automatic, subject to the special eligibility criteria noted above.

If your spouse or eligible domestic partner is also an employee or retiree of the County or a participating agency, and is eligible in their own right to enroll in a County benefit program, you are not restricted as to the benefits or coverage options you may elect (*subject to the note in the Addendum section under Dependent Life Insurance*). It is important, however, that you carefully coordinate your elections for benefits and coverage options with those of your spouse or eligible domestic partner.

If you elect *no* coverage for medical, discount vision or prescription, you will have to wait until the following Open Enrollment to elect these benefits, unless you experience a *Change in Status*, as described in the section titled “Changing Your Elections” (such as marriage, divorce, birth or adoption or placement for adoption of a child). Also, if you elect *no* coverage, it is important that you have other coverage, either through a group or private plan.

If you are currently enrolled in dental and later elect *no* dental coverage, you must satisfy a two-year waiting period to be eligible to re-enroll in dental. If you elect no dental coverage at the time of your retirement, the two-year waiting period may be longer since you may only elect benefits during Open Enrollment. Therefore, it is important that you are covered under another dental plan, if you elect *no* dental coverage. These enrollment restrictions are subject to the *Change in Status* provisions as described earlier in this booklet in the section titled “Changing Your Elections” (such as marriage, divorce, birth, adoption or placement for adoption of a child).

As a retiree, during the annual Open Enrollment, you may change your medical, dental, discount vision and prescription elections. For each of these benefits you elect, you may also elect coverage for your eligible dependents during this time. These elections will be effective the first of the following calendar year.

You may also make such changes mid-year if you experience a change in status as described earlier in this booklet in the section *Changing Your Elections*.

COST SHARING

If your most recent date of hire as a permanent full-time or part-time employee was after December 31, 1986, you are eligible for the following cost sharing arrangement for medical, dental, discount vision, standard option* prescription, term life insurance and dependent life insurance (Option 1, only):

“Years” refers to years of eligibility under the group insurance plan; it does not include any transferred or purchased service, or any sick leave converted to credited service for ERS purposes.

	<u>County Share</u>	<u>Retiree Share</u> *
15 or more years.....	70%	30%
10 years.....	60%	40%
5 years.....	50%	50%

For each year between 5 and 15 years, the County's share increases 2%.

This arrangement is known as the Lifetime Medicare Supplement ("LMS") arrangement.

If your most recent date of hire as a permanent full-time or part-time employee was prior to January 1, 1987, your cost sharing arrangement for medical, dental, discount vision, standard option* prescription, term life insurance and dependent life insurance (Option 1, only) is as follows:

* The County/Retiree cost sharing arrangement will not change for retirees enrolled in the standard option prescription plan. Retirees that choose to participate in the high option prescription plan will pay a higher percentage of the cost.

"Years" refers to years of eligibility under the group insurance plan; it does not include any transferred or purchased service, or any sick leave converted to credited service for ERS purposes.

	<u>County Share</u>	<u>Retiree Share</u>
For the period of time equal to the number of years of your eligibility under the group insurance plan, beginning from your retirement date ^{/1}	80%	20%*
After that period.....	0%	100%

^{/1} Please note that this cost sharing period is not affected by any times during which, as a retiree, you elected no coverage for the benefits available to you.

* The County/Retiree cost sharing arrangement will not change for retirees enrolled in the standard option prescription plan. Retirees that choose to participate in the high option prescription plan will pay a higher percentage of the cost

This arrangement is known as the "non-LMS" arrangement. At the time of your retirement, you may elect the cost sharing arrangement available to employees whose most recent date of hire as a permanent full-time or part-time employee was after December 31, 1986 (the "LMS" arrangement) in lieu of this "non-LMS" arrangement. Once you retire, you may not change your cost sharing arrangement.

If under the 2010 Retirement Incentive Program you elected the enhanced cost sharing arrangement, you will pay 10% of the cost (and the County will pay 90%) for the first 5 years of retirement. If you cover family members as dependents, your cost share for this coverage will be the normal retiree cost share for the dependent coverage. After 5 years from date of retirement, your cost share will revert to what you elected at retirement.

Except as provided under the 2010 Retirement Incentive Program, in no event will the County's share at retirement be greater than the amount immediately preceding retirement.

Regardless of your cost sharing arrangement, at age 65 your term life insurance becomes 100% County paid. Also, if you retire on a disability, your term life insurance is 100% County paid until you reach your normal retirement date. From that time until age 65, your cost sharing arrangement in effect for your other benefits will apply to the cost of your term life insurance, provided you are eligible for term life insurance at the time of your disability. If you had not met the special eligibility requirements for term life insurance at the time of your disability, your term life coverage will end at your normal retirement date.

Also, if you retire on a service-connected disability either under the ERS, EOP, RSP or GRIP, 5 years will be added to your years of eligibility under the group insurance plan for cost sharing determination purposes.

For those employees eligible to continue optional life insurance into retirement, the cost is 100% retiree paid.

RETIREE TERM LIFE INSURANCE

If you are less than age 65 when you retire, your term life insurance will be an amount equal to 5% of the amount in force on the day prior to retirement (last active amount) for each full year you were insured prior to your retirement date, up to 100%. On the fifth anniversary of your retirement, and on each following anniversary of that date, the amount reduces by 10% of your initial post-retirement amount, but the amount will not reduce to less than 25% of your initial post-retirement amount. In any event, your amount on and after age 65 will not exceed 25% of your initial post-retirement amount.

If you are age 65 or older when you retire, the pre-age 65 *formula* applies for determining your initial post-retirement amount, but that amount is immediately reduced to 25%.

If you retire due to a disability, your retirement date for purposes of determining *when* your term life insurance amount reduces will be your normal retirement date or, if earlier, the date your total disability ends. For purposes of determining years insured, your retirement date will be your disability retirement date.

If you elected the enhanced retiree term life insurance under the 2010 Retirement Incentive Program, you will not have any reduction in post-retirement basic life insurance for the first 10 years of retirement. After 10 years from date of retirement, basic life insurance benefits will return to the level that would have otherwise been in effect on that date had you not elected this option.

DEPENDENT LIFE INSURANCE

Dependent life insurance covers your spouse and eligible dependent children. At retirement, you may elect to continue the coverage in effect at the time of your retirement. You may also elect to change your coverage or elect no dependent life insurance. After retirement, you may not elect a new coverage option, but you may cancel your dependent life insurance.

You are automatically the beneficiary for this insurance. *Please note: If both you and your spouse are eligible for Montgomery County sponsored dependent life insurance, and both of you elect dependent life insurance, benefits for an eligible dependent child will be payable either under your coverage or your spouse's, but not both.*

OPTIONAL LIFE INSURANCE

Optional life insurance is coverage in addition to your basic term life insurance. You may elect to continue your optional life insurance into retirement provided your coverage was in effect at the time of retirement. The coverage is frozen at the amount in effect at the time of retirement. After retirement, you may not change your coverage amount, but you may cancel your optional life insurance. This coverage ends at age 70.

LONG TERM CARE INSURANCE

Long term care insurance is available to retirees through an outside insurance company.

Long term care refers to a very broad range of medical, personal and social services provided to people who are unable to care for themselves over a relatively long period of time. The ultimate purpose of long term care insurance is to help individuals maintain independence and the freedom to choose where they receive assistance, while helping to preserve their assets as much as possible.

This program is available to active and retired employees, as well as eligible family members. The cost is 100% retiree paid.

MEDICARE

Generally, when you retire and become eligible for Medicare, Medicare becomes your primary medical insurance and your County medical plan is secondary.

You are generally eligible for coverage under Medicare when you turn 65. It is important that you contact the Social Security Administration regarding Medicare since there are certain timeframes established for enrollment. Failure to enroll within these timeframes can result in penalties.

If your County medical plan *coordinates* with Medicare, the benefits payable under your County medical plan will generally be reduced by the benefits payable under Medicare, regardless of whether you are actually enrolled in Medicare. If your County medical plan *coordinates* with Medicare, your retiree premiums will generally reduce when you become eligible.

Information related to your options under Medicare Part D – Prescription Drug Coverage, and the County’s prescription drug plans is in a special notice in the addendum.

The premium that you pay for your insurance will also change when either you, or your dependent spouse, become Medicare eligible. All retirees pay a cost share percentage of the total premium. When the first participant becomes Medicare eligible, the premium paid will decrease from the Non-Medicare rate, to a lower intermediate, Medicare/Non-Medicare split rate. This premium is approximately midway between the full cost Non-Medicare rate, and the even lower Medicare rate. When the second participant becomes eligible for Medicare, the rate paid will decrease again to the Medicare rate. For further information about Medicare, please contact the Social Security Administration at 1-800-772-1213.

ADDENDUM

CURRENT BENEFITS AND COVERAGE OPTIONS OFFERED UNDER THE PLAN

Type of Benefit	Benefit Plans and Providers	Coverage Options
<u>Basic life insurance</u> Premium split: 1/ <ul style="list-style-type: none"> County – 80% Choice; 76% Select Employee (after-tax) – 20% Choice; 24% Select 	<ul style="list-style-type: none"> Term life insurance Accidental death and dismemberment (AD&D) Business travel accident (BTA) <i>Prudential</i>	Mandatory Benefit
<u>Long term disability (LTD)</u> Premium split: 1/ <ul style="list-style-type: none"> County – 80% Choice; 76% Select Employee (after-tax) – 20% Choice; 24% Select 	<ul style="list-style-type: none"> LTD1 for ERS members – <i>The Standard</i> LTD2 for RSP members - <i>County/employee funded</i> 	Mandatory Benefit for Full-time Employees (Part-time employees are not eligible for coverage, unless they are members of the RSP or GRIP)
<u>Medical</u> Premium split: 1/ <ul style="list-style-type: none"> County – 80% Choice; 76% Select Employee (pre-tax) – 20% Choice; 24% Select 	<ul style="list-style-type: none"> High Option POS Plan (Medical only) - <i>Carefirst Blue Cross Blue Shield</i> Standard Option POS Plan (Medical only) - <i>Carefirst Blue Cross Blue Shield</i> HMO (Medical plus Kaiser Rx) - <i>Kaiser Permanente</i> HMO (Medical only) – <i>United Healthcare</i> Indemnity (Medical plus Rx) – <i>Carefirst Blue Cross Blue Shield (closed to new members)</i> 	<ul style="list-style-type: none"> Self Self + 1 Family No Coverage
<u>Dental</u> Premium split: 1/ <ul style="list-style-type: none"> County – 80% Choice; 76% Select Employee (pre-tax) – 20% Choice; 24% Select 	<ul style="list-style-type: none"> Traditional plan (Dental PPO) – <i>United Concordia</i> Dental HMO (DHMO) - <i>United Concordia</i> 	<ul style="list-style-type: none"> Self Self + 1 Family No Coverage - 2 year restriction for re-entry
<u>Vision</u> Premium split: 1/ <ul style="list-style-type: none"> County – 80% Choice; 76% Select Employee (pre-tax) – 20% Choice; 24% Select 	<ul style="list-style-type: none"> Vision plan – <i>National Vision Administrators (NVA)</i> actives only Opti-Vision Discount Plan – <i>National Vision Administrators (NVA)</i> retirees only 	<ul style="list-style-type: none"> Self Self + 1 Family No Coverage - 2 year restriction for re-entry
<u>Prescription (Rx)</u> Premium split: 1/ <ul style="list-style-type: none"> County* – 80% Choice; 76% Select Employee* (pre-tax) – 20% Choice; 24% Select 	<i>Caremark</i> <ul style="list-style-type: none"> High Option \$4/\$8 (MCGEO & IAFF) \$5/\$10 (FOP, Retirees & nonbargained) Standard Option \$10/\$20/\$35 	<ul style="list-style-type: none"> Self Self + 1 Family No Coverage

* The County/Employee cost sharing arrangement will not change for employees enrolled in the standard option prescription plan. Employees that choose to participate in the high option prescription plan will pay a higher percentage of the cost.

Type of Benefit	Benefit Plans and Providers	Coverage Options
<u>Optional life insurance</u> Premium split: <ul style="list-style-type: none"> Employee (after-tax) – 100% 	<ul style="list-style-type: none"> Term life insurance Accidental death and dismemberment (AD&D) <i>Prudential</i> 	<ul style="list-style-type: none"> 1 x's basic annual earnings 2 x's basic annual earnings 3 x's basic annual earnings No coverage (To a maximum of \$300,000; covered until 70th birthday)
<u>Dependent life insurance</u> Premium split: First level - 1/ <ul style="list-style-type: none"> County – 80% Choice; 76% Select Employee (after-tax) – 20% Choice; 24% Select Second and Third levels - <ul style="list-style-type: none"> Employee (after-tax) – 100% 	<ul style="list-style-type: none"> Term life insurance – <i>Prudential</i> 	<ul style="list-style-type: none"> \$2,000 spouse; \$1,000 child to age 21; \$100 newborn under age 6 months \$4,000 spouse; \$2,000 child to age 21; \$100 newborn under age 6 months \$10,000 spouse; \$5,000 child to age 21; \$100 newborn under age 6 months No Coverage
<u>Flexible Spending Account</u> Premium split: <ul style="list-style-type: none"> Employee (pre-tax) – 100% 	<ul style="list-style-type: none"> Health Care Reimbursement Account Plan – <i>PayFlex (claims administrator)</i> 	\$0 to \$2,500 in whole dollar amounts
<u>Flexible Spending Account</u> Premium split: <ul style="list-style-type: none"> Employee (pre-tax) – 100% 	<ul style="list-style-type: none"> Dependent Care Reimbursement Account Plan – <i>PayFlex (claims administrator)</i> 	\$0 to \$5,000 in whole dollar amounts

1/ Adjustment of premium split for part-time Select Plan employees:

Budgeted Work Hours per Week

30 to 39 hours per week

20 to 29 hours per week

10 to 19 hours per week

Premium Split *

County – 57%; Employee – 43%

County – 38%; Employee – 62%

County – 19%; Employee – 81%

* The County/Employee cost sharing arrangement will not change for employees enrolled in the standard option prescription plan. Employees that choose to participate in the high option prescription plan will pay a higher percentage of the cost.

Additional benefits to eligible employees available through an outside insurance company

Type of Benefit	Benefit Plans and Providers	Coverage Options
<u>Long term care (LTC)</u> Premium split: <ul style="list-style-type: none"> Employee (after-tax) – 100% <i>paid directly to the Provider</i> 	<ul style="list-style-type: none"> Long term care insurance - <i>Prudential</i> 	<ul style="list-style-type: none"> Coverage for the employee Coverage for eligible dependents defined under the long term care plan No coverage

BENEFIT HIGHLIGHTS

Below are some highlights of the benefits listed above. Please refer to the current individual benefit booklets for coverage details, including any exclusions and limitations. In the case of a conflict, the individual benefit booklets will control.

BASIC LIFE INSURANCE

CHOICE PLAN - If you are a full-time employee, you are required to have the following basic insurance coverage:

Term life insurance of 2 times your basic annual earnings, up to \$200,000. For active employees, at age 65, coverage is reduced to 65% of the pre-65 face value.

- Accidental death and dismemberment (AD&D) insurance of 8 times your basic annual earnings, up to \$600,000, for a loss of life that is a direct result of an accidental injury sustained in the performance of County employment (lesser amounts may be payable for certain dismemberments resulting from accidental bodily injury).
- AD&D insurance of 4 times your basic annual earnings, up to \$300,000, for a loss of life that is *not* a direct result of an accidental injury sustained in the performance of County employment (lesser amounts may be payable for certain dismemberments resulting from accidental bodily injury).
- Business travel accident (BTA) insurance of \$100,000 for a loss of life resulting from an accident while traveling in a common carrier (e.g., a commercial airline, train or bus) during a business trip; \$50,000 for a loss of life resulting from an accident during a business trip *other than* while traveling in a common carrier (lesser amounts may be payable for certain dismemberments resulting from accidental bodily injury occurring during a business trip). *Please note that the business trip must be outside of Montgomery County, Maryland.*
- An employee whose life expectancy is less than six (6) months may be eligible to receive an accelerated death benefit of 75% of the policy in force, but limited to \$200,000.

Members of the International Association of Fire Fighters, Local 1664 (IAFF) have a minimum basic benefit of \$500,000 for a loss of life that is a direct result of an accidental injury sustained in the performance of County employment.

Effective 7/1/09, if you are a member of the FOP or IAFF, your life insurance is calculated as if you had received the 7/1/09 General Wage Adjustment (FOP = 4.25%; IAFF = 4%)

If you are a part-time employee, your required basic insurance coverage is equal to half the amounts listed above for term life and AD&D insurance; the same amounts as listed for BTA insurance.

If you are a Circuit Court judge, you are not required to have life insurance and may elect coverage within 60 days from your appointment to the bench.

SELECT PLAN - You are required to have the following basic insurance coverage:

- Term life insurance of 1 times your basic annual earnings, up to \$200,000. For active employees, at age 65, coverage is reduced to 65% of the pre-65 face value.
- Accidental death and dismemberment (AD&D) insurance of 1 times your basic annual earnings, up to \$200,000, (lesser amounts may be payable for certain dismemberments resulting from accidental bodily injury).
- Business travel accident (BTA) insurance of \$100,000 for a loss of life resulting from an accident while traveling in a common carrier (e.g., a commercial airline, train or bus) during a business trip; \$50,000 for a loss of life resulting from an accident during a business trip *other than* while traveling in a common carrier (lesser amounts may be payable for certain dismemberments resulting from accidental bodily injury occurring during a business trip). *Please note that the business trip must be outside of Montgomery County, Maryland.*
- An employee whose life expectancy is less than six (6) months may be eligible to receive an accelerated death benefit of 75% of the policy in force, but limited to \$200,000.

Long Term Disability (Ltd)

LTD1 for full-time employees who are members of the optional or integrated plan under the Employees' Retirement System (ERS):

If you are a full-time employee and a member of the **optional or integrated plan under the ERS**, you are required to have LTD coverage (part-time employees who are members of the **optional or integrated plan under the ERS** are not eligible for coverage). Your coverage becomes effective after 6 months of continuous active service with the County.

The monthly income benefit under LTD1 is 60% of your basic monthly earnings, up to a maximum of \$2,500. Your monthly income benefit will be reduced by certain other sources of income, including amounts you and your dependents may be eligible to receive under Social Security due to your disability.

While covered under LTD1, you are entitled to benefits if you become totally disabled from performing the duties of your occupation due to sickness or accidental bodily injury and remain totally disabled continuously throughout the benefit waiting period of 5 months. After the expiration of the benefit waiting period, you will receive monthly income benefit payments during the continuation of your disability, but for no longer than 12 months.

If your monthly income benefit has been payable for 12 months and your disability completely prevents you from engaging in any occupation for which you are qualified by training, education or experience, you will continue to receive your monthly income benefit.

However, monthly income benefit payments will cease on the earlier of the following dates:

- The date you receive retirement benefits under any pension plan to which your employer contributes or makes payroll deductions, other than benefits which become payable solely because of disability.
- The date shown below, based on when your disability commences:

Age 61 or under – your 65th birthday or the day 36 payments have been made, whichever is later.

Age 62, 63 or 64 – the date 36 payments have been made.

Age 65, 66 or 67 – the date 24 payments have been made.

Age 68 or 69 – the date 12 payments have been made.

LTD2 for employees who are members of the EOP, the RSP or the GRIP:

Please note that some provisions of LTD2 may vary for public safety employees. Please refer to the separate plan booklet for further details.

If you are a member of the EOP, RSP or GRIP, you are required to have LTD coverage. Your monthly benefit under LTD2 depends on whether your disability is service-connected or non-service connected. If your disability is determined to be service-connected (if you become disabled as a result of your job), you will receive 66 2/3% of your final earnings.

If your disability is non-service connected, you will receive 2% of your final earnings for each year you participated in a retirement plan sponsored by the County (you are guaranteed at least 30% of your final earnings, and may not receive more than 60% of your final earnings).

Your disability must be the result of an accident, illness or injury and not caused by your willful misconduct or willful negligence.

The plan benefit will be reduced by any outside benefits you receive as a result of your disability (such as Social Security, another disability plan, workers' compensation or your retirement plan), and by any earnings from other employment and by any benefit you are entitled to receive under the County's retirement plans.

Under LTD2, your disability must be total and as a result of illness or injury, which makes you unable to work. Total disability is defined as follows:

- For the first three years, you must be unable to perform the job you held when you became disabled.
- After that, you must be unable to perform any job you are reasonably suited for through education, training and experience.

After your disability determination is made and you have correctly completed all necessary forms, benefit payments will begin within 40 days after you have exhausted all accrued sick leave and compensatory leave in excess of 80 hours. Your disability benefits will generally last until you reach age 65, as long as you remain totally disabled. However, after the initial disability period, you must undergo a medical examination to determine if you are entitled to receive continued disability. If you are not eligible, your disability benefits will end. In addition, if you are eligible to receive continued disability benefits, you will be required to undergo a medical examination as often as every year. You will be notified when you need an examination and will receive further details then. You must report any changes in your condition to the OHR Occupational Medical Services Division.

In order to receive benefits, if you incurred a service-related disability, you must report the injury within one year of the injury or submit a timely claim for workers' compensation. You must file also an application for benefits within one year of separation from County service

MEDICAL

You may elect one of the medical options offered under the Plan or choose no coverage at all. Below is a brief description of each option and a comparison chart of key features.

*Please note that, with the exception of Kaiser Permanente, the medical options **do not** provide prescription drug coverage. However, you have the option to elect prescription drug coverage under a separate plan offered through Caremark.*

The Carefirst Blue Cross Blue Shield Point-of-Service Plans (POS) are managed care programs that require you to select a primary care physician (PCP). You must select a PCP and receive services from that PCP or a network specialist in order to receive in-network benefits. Under the POS, you may also choose to coordinate your own medical care and receive out-of-network benefits.

The POS also offers a component plan that provides in- and out-of-network benefits if you reside outside the POS network service area. Active employees who reside outside the POS network service area may elect this "out of service area" component plan or remain in the "in service area" component; enrollment in the "out of service area" component plan for retirees who reside outside the POS network service area is automatic.

If Medicare is the primary coverage for you or any of your covered dependents, please refer to the separate Carefirst Blue Cross Blue Shield Medicare Supplemental Plan summary.

There are two POS plans offered – a High Option Plan and a Standard Option Plan. Prescription drug coverage is not included with either plan, but may be elected under a separate plan offered through Caremark.

Kaiser Permanente is a health maintenance organization (HMO) which provides all care at special Kaiser centers. You must use providers at the Kaiser centers to receive benefits under this plan. If you receive care elsewhere, you must pay the full cost. Please note that the Kaiser Permanente HMO medical plan does include prescription drug coverage and therefore, it is not necessary to elect such coverage under a separate plan.

If Medicare is the primary coverage for you or any of your covered dependents, you are required to enroll in Kaiser's Medicare Plus plan. Kaiser will contact you directly regarding your enrollment. If you are a Kaiser participant and do not enroll in Kaiser's Medicare Plus plan when required, your enrollment in Kaiser will be discontinued. At that time, you may contact the County if you wish to elect another medical plan option.

United Healthcare is an individual practice health maintenance organization (HMO). Private physicians who belong to the United Healthcare network render care in their own offices. You must use United Healthcare providers in order to receive benefits under this plan. If you receive care elsewhere, you must pay the full cost. Prescription drug coverage is not included, but may be elected under a separate plan offered through Caremark.

The Carefirst Blue Cross Blue Shield Indemnity Plan is a plan that covers most of your health care needs and allows you to choose where to receive services, either from a Participating Provider who contracts with Carefirst to provide services at a fixed cost, or from any other covered provider that Carefirst recognizes as an eligible provider of medical services (Non-Participating Provider). *This plan is closed to all but existing members.*

It is important that you carefully read the coverage details contained in the individual medical booklets to determine which plan is best for you. Also, it is important that you are covered under another medical plan if you elect no medical coverage at all. Please remember that your elections are in force for the entire calendar year.

The coverages described in the medical comparison chart are how the County's plans pay when they are your primary coverage. Generally, if you are also covered under Medicare and are retired from the workforce, Medicare is your primary coverage and your County plan is secondary. This may change the copays and charges listed in the medical comparison chart. If you are retired from the workforce and if your County medical plan *coordinates* with Medicare, the benefits payable under your County medical plan will generally be reduced by the benefits payable under Medicare, regardless of whether you are actually enrolled in Medicare.

MEDICAL PLANS COMPARISON CHART

Health Plan (Assumes Primary Coverage)	Kaiser Permanente	United Healthcare	Carefirst Blue Cross Blue Shield		
			POS High and Standard Option Plans In Service Area	POS High and Standard Option Plans Out of Area	Indemnity Plan (closed to new members)
Allergy Testing	\$5 copay.	\$5 copay Primary Care Physician; \$10 copay Specialist.	High Option - In network: covered in full; Out-of-network: 80% after deductible. Standard Option – Same as High Option.	High Option - In network: covered in full; Out-of-network: 80% after deductible. Standard Option – Same as High Option.	80% after deductible.
Deductible	Copay where applicable.	No Annual Deductible.	High Option - In network: none; Out-of-network: \$300 individual; \$600 family. Standard Option - Same as High Option	High Option - In network: none; Out-of-network: \$250 individual; \$500 family. Standard Option - Same as High Option	\$200 individual deductible; \$400 family deductible.
Diagnostic/Lab/X-Ray	Covered in full.	Covered in full. No Copayment.	High Option - In network: covered in full; Out-of-network: 80% after deductible. Standard Option – Same as High Option.	High Option - In network: covered in full; Out-of-network: 80% after deductible. Standard Option – Same as High Option.	100% up to \$500 for services related to an illness in a calendar year (there is a separate limit of \$500 for services related to an accident in a calendar year); 80% for services in excess of the \$500 limit for either an illness or an accident in a calendar year.
Dr. Office Visits	\$5 copay.	\$5 copay Primary Care Physician; \$10 copay Specialist.	High Option - In network: \$10 copay; Out-of-network: 80% after deductible. Standard Option - In network: \$15 copay; Out-of-network: same as High Option.	High Option - In network: \$10 copay; Out-of-network: 80% after deductible. Standard Option - In network: \$15 copay; Out-of-network: same as High Option.	80% after deductible.
Emergency Room	\$50 copay – waived if admitted to hospital.	\$25 copay (plan definition of emergency must be met) – waived if admitted to hospital; \$15 copay for Urgent Care Centers.	High Option - In network: \$25 copay waived if admitted to hospital; Out-of-network: 80% after deductible. Standard Option – In network: \$35 copay waived if admitted to hospital; Out-of-network: same as High Option.	High Option - In network: \$50 copay, waived if admitted; Out-of-network: 80% after deductible. Standard Option – Same as High Option.	Covered in full if life-threatening or accidental injury; 80% after deductible for illness.

MEDICAL PLANS COMPARISON CHART

Health Plan (Assumes Primary Coverage)	Kaiser Permanente	United Healthcare	Carefirst Blue Cross Blue Shield		
			POS High and Standard Option Plans In Service Area	POS High and Standard Option Plans Out of Area	Indemnity Plan (closed to new members)
Hearing Aids	Under age 18. Up to \$1,400 per hearing aid for each hearing impaired ear every 36 months.	Under age 19 up to \$1,400 per hearing aid for each hearing impaired ear every 36 months.	For minor children. One hearing aid for each hearing impaired ear once every 36 months. Up to \$1,400 for each ear.	For minor children. One hearing aid for each hearing impaired ear once every 36 months. Up to \$1,400 for each ear.	For minor children. One hearing aid for each hearing impaired ear once every 36 months. Up to \$1,400 for each ear.
Hearing Screening	\$5 copay for hearing exam (hearing aids are excluded).	\$5 copay Primary Care Physician; \$10 copay Specialist.	High Option - In network: childhood hearing screening covered in full; Out-of-network: childhood hearing screening, 80% not subject to deductible. Standard Option – Same as High Option.	High Option - In network: childhood hearing screening covered in full; Out-of-network: childhood hearing screening, 80% not subject to deductible. Standard Option – Same as High Option.	Not covered.
Home Health Care Services	Covered in full if medically necessary.	Covered in full. No copayment; 60 visit maximum for skilled care services per calendar year.	High Option - In network: covered in full (90 visits max/calendar year); Out-of-network: 80% after deductible (90 visits max/calendar year). Standard Option – Same as High Option.	High Option - In network: covered in full (40 visits per calendar year); Out-of-network: 80% after deductible (40 visits per calendar year). Standard Option – Same as High Option.	Covered in full; 40 visits maximum/calendar year.
Hospice	Covered in full.	Covered in full. (See coverage booklet for eligibility information.)	High Option - In network: covered in full; Out-of-network: 80% after deductible. Standard Option – Same as High Option.	High Option - In network: covered in full; Out-of-network: 80% after deductible. Standard Option – Same as High Option.	Covered in full; \$5,000 maximum.
Hospital	Covered in full.	Covered in full.	High Option - In network: covered in full; Out-of-network: 80% after deductible. Standard Option – In network: covered in full after \$150 copay per admission; Out-of-network: same as High Option.	High Option - In network: covered in full; Out-of-network: 80% after deductible. Standard Option – In network: covered in full after \$150 copay per admission; Out-of-network: same as High Option.	Covered in full; 180 day maximum per confinement.

MEDICAL PLANS COMPARISON CHART

Health Plan (Assumes Primary Coverage)	Kaiser Permanente	United Healthcare	Carefirst Blue Cross Blue Shield		
			POS High and Standard Option Plans In Service Area	POS High and Standard Option Plans Out of Area	Indemnity Plan (closed to new members)
Immunizations	\$5 copay. Included in well child care visits up to age 5 at no charge.	\$5 copay Primary Care Physician	High Option - In network: covered in full; Out-of-network: 80% after deductible. Standard Option – Same as High Option.	High Option - In network: covered in full when billed with office visit; Out-of-network: 80% after deductible. Standard Option – Same as High Option.	Maximum \$15 per immunization (\$45 per calendar year maximum per member); balance paid at 80% after deductible.
In vitro Fertilization	Limited to 3 attempts per live birth. Lifetime maximum of \$100,000.	Limited to 3 attempts per live birth. Lifetime maximum of \$100,000.	Limited to 3 attempts per live birth. Lifetime maximum of \$100,000.	Limited to 3 attempts per live birth. Lifetime maximum of \$100,000.	Limited to 3 attempts per live birth. Lifetime maximum of \$100,000.
Mammography - Preventive Screening Schedule	Schedule consistent with the current recommendations of the American College of Physicians.	Covered in full. Age 35-39: one baseline mammogram; Age 40-49; One mammogram every two calendar years; Age 50+ One mammogram per calendar year.	High Option – Covered in full. Age 35-39: one baseline mammogram; Age 40-49; One mammogram every two calendar years; Age 50+ One mammogram per calendar year. Standard Option - Same as High Option	High Option – Covered in full. Age 35-39: one baseline mammogram; Age 40-49; One mammogram every two calendar years; Age 50+ One mammogram per calendar year. Standard Option - Same as High Option	Age 35-39: one baseline mammogram; Age 40-49; One mammogram every two calendar years; Age 50+ One mammogram per calendar year.
Maternity	Covered in full once pregnancy is diagnosed.	No copayment applies after the first visit.	High Option - In network: first visit 100% after \$10 copay; other visits 100%; Out-of-network: 80% after deductible. Standard Option – In network: first visit 100% after \$30 copay; other visits 100%; Out-of-network: same as High Option.	High Option - In network: covered in full; Out-of-network: 80% after deductible. Standard Option – In network: first visit 100% after \$30 copay; other visits 100%; Out-of-network - Same as High Option.	100% up to amount allowed by plan.
Maximum Lifetime Benefit	Unlimited Maximum.	Unlimited Maximum.	High Option - Unlimited Maximum. Standard Option - Same as High Option	High Option - Unlimited Maximum. Standard Option - Same as High Option	Individual: Unlimited Maximum for major medical services.

MEDICAL PLANS COMPARISON CHART

Health Plan (Assumes Primary Coverage)	Kaiser Permanente	United Healthcare	Carefirst Blue Cross Blue Shield		
			POS High and Standard Option Plans In Service Area	POS High and Standard Option Plans Out of Area	Indemnity Plan (closed to new members)
Out-of-Pocket Annual Maximum	N/A	\$1,100 per individual up to a cap of \$3,600 for a family	High Option - Per Individual: \$1,000 plus the annual deductible. Standard Option - Same as High Option	High Option - In network: Individual: \$1,000 plus the annual deductible; Family: \$2,000 plus the annual deductible; Out-of-network: Individual: \$2,000 plus the annual deductible; Family: \$4,000 plus the annual deductible. Standard Option - Same as High Option	Individual: \$1,000 plus the annual deductible; Family: \$2,000 plus the annual deductible
Physical	\$5 copay.	\$5 copay Primary Care Physician;	High Option - In network: \$10 copay; Out-of-network: 80% after deductible (limit 1/calendar year). Standard Option - In network: \$15 copay Primary Care Physician; \$30 copay Specialist; Out-of-network: same as High Option.	High Option - In network: \$10 copay; Out-of-network: 80% after deductible (limit 1/calendar year). Standard Option - In network: \$15 copay Primary Care Physician; \$30 copay Specialist; Out-of-network: same as High Option.	Up to \$75/exam every 2 years - employee and spouse only; balance is paid at 80% after deductible.
Prescriptions	Kaiser Rx Plan (included with Kaiser HMO medical plan): \$5 at on-site pharmacies and for mail order; \$15 at participating community pharmacies.	No Rx Plan included; diabetic supplies covered under a pharmacy rider.	High and Standard Option – No Rx Plan included; diabetic supplies covered under a pharmacy rider.	High and Standard Option – No Rx Plan included; diabetic supplies covered under a pharmacy rider.	80% after deductible. Prescription discount program included with mail order feature.

MEDICAL PLANS COMPARISON CHART

Health Plan (Assumes Primary Coverage)	Kaiser Permanente	United Healthcare	Carefirst Blue Cross Blue Shield		
			POS High and Standard Option Plans In Service Area	POS High and Standard Option Plans Out of Area	Indemnity Plan (closed to new members)
Rehabilitation Services	Inpatient: Covered in full (Unlimited). Outpatient: \$5 copay; outpatient services for physical therapy are limited to up to 30 visits; occupational and speech therapy per injury, incident or condition are covered for a period not to exceed 90 days.	\$10 copay/visit. 60 combined visits per year (short-term non-chronic conditions only).	High Option - In network: 100%; Out-of-network: 80% after deductible. Standard Option – Same as High Option.	High Option - In network: covered in full; Out-of-network: 80% after deductible. Standard Option – Same as High Option.	80% after deductible.
Skilled Nursing Facility	Covered in full; 100 days maximum.	Covered in full 60 days per calendar year maximum.	High Option - In network: covered in full (100 days max/calendar year); Out-of-network: 80% after deductible (100 days max/calendar year). Standard Option - Same as High Option	High Option - In network: covered in full (60 days max/calendar year); Standard Option – Same as High Option.	\$30/day, up to 360 days per calendar year; \$10,800 calendar year maximum.
Specialists	\$5 copay.	\$10 copay.	High Option - In network: \$10 copay; Out-of-network: 80% after deductible. Standard Option - In network: \$30 copay; Out-of-network: same as High Option.	High Option - In network: \$10 copay; Out-of-network: 80% after deductible. Standard Option - In network: \$30 copay; Out-of-network: same as High Option.	80% after deductible.

MEDICAL PLANS COMPARISON CHART

Health Plan (Assumes Primary Coverage)	Kaiser Permanente	United Healthcare	Carefirst Blue Cross Blue Shield		
			POS High and Standard Option Plans In Service Area	POS High and Standard Option Plans Out of Area	Indemnity Plan (closed to new members)
Substance Abuse/Mental Health	Inpatient: Covered in full; Outpatient/ individual visits: \$20 copay per visit; group visits: \$10 copay per visit.	Inpatient: Covered in full; Outpatient visits: 1-5 20% copay; 6-30 35% copay; 31+ 50% copay. \$10 copay per visit for Medication management office visit. \$25 copay up to 60 days per calendar year for Partial Hospitalization	High Option - In network: Inpatient- covered in full; Outpatient- visits 1-5 100%; 70% thereafter; Out-of-network: Inpatient- 80% after deductible; Outpatient- 80% first 5 visits; 65% next 25 visits; 50% each thereafter (all outpatient visits subject to deductible). Standard Option – Same as High Option.	High Option - In network: Inpatient – covered in full; Outpatient- visits 1-5 100%; visits 6-30 80%; 31+ 50%; Out-of-network: Inpatient- 80% after deductible; Outpatient- visits 1-5 80%; visits 6-30 65%; visits 31+ 50% (all outpatient visits subject to deductible). Standard Option – Same as High Option.	Inpatient- 100% to 180 days (lifetime maximum does not apply); Outpatient- 80% after deductible.
Surgery	Covered in full.	Inpatient: covered in full; Outpatient: \$25 copay.	High Option - In network: covered in full; Out-of-network: 80% after deductible. Standard Option – Same as High Option.	High Option - In network: covered in full; Out-of-network: 80% after deductible. Standard Option – Same as High Option.	100% up to amount allowed by plan.
Vision (Routine)	\$5 copay for exams; 25% discount on lenses/frames at Kaiser centers; 15% discount off the cost of contact lenses.	\$25 copay/exam; 15%-20% discount through participating optical centers.	High Option - In network: refraction not covered; (pediatric visual screening - covered in full under well child care). Out-of-network: refraction not covered (pediatric visual screening - 80% not subject to deductible under well child care). Standard Option - Same as High Option	High Option - In network: refraction not covered (pediatric visual screening – covered in full under well child care); Out-of-network: refraction not covered (pediatric visual screening – 80% not subject to deductible under well childcare). Standard Option - Same as High Option	None.
Well Child Care	Well baby/well child covered in full up to age 5.	\$5 copay Primary Care Physician	High Option - In network: \$10 copay; Out-of-network: 80% not subject to deductible (up to age 18). Standard Option - In network: \$15 copay; Out-of-network: same as High Option.	High Option - In network: \$10 copay; Out-of-network: 80% not subject to deductible (up to age 18). Standard Option - In network: \$15 copay; Out-of-network: same as High Option.	100% for child wellness (including related lab tests and X-rays) up to age 18.

Note: This comparison is to be used as a guide only and not as the benefits offered. Consult the individual plan booklets for complete information. (Rev. 10/10)

DENTAL

You may elect one of the dental options offered under the Plan or choose no coverage at all. This election is independent of your medical election. Below is a brief description of each plan.

The **Traditional Dental Plan (Dental PPO)** provides payment for the following covered services, subject to the plan maximums and limitations:

- Class I Services - Diagnostic and Preventive; Payable at 100% of reasonable and customary charges (no more than two in any calendar year).
- Class II Services - Basic Restorative, Endodontics, Periodontics, Maintenance of Prosthodontics and Oral Surgery; Payable at 80% of reasonable and customary charges.
- Class III Services - Major Restorative, Installation of Prosthodontics; Payable at 60% of reasonable and customary charges.
- Class IV Services - Orthodontics; Payable at 60% of reasonable and customary charges.

The maximum benefit, excluding Class IV Services, is \$2,000 per person each year. The lifetime maximum for Class IV Services (orthodontics) is \$1,000 per person.

Each year, you will need to meet a deductible of \$50 per person, or \$150 for family. The deductible does not apply to Class I Services.

As an additional plan feature, if you use a dentist who is a member of the Preferred Provider Organization (PPO), charges for covered services will usually be discounted. This means your cost will usually be less than that associated with a dentist who is not a member of the PPO. Please remember that under the Traditional Dental Plan (Dental PPO), you may use any dentist you wish; use of the PPO feature is voluntary.

The **Dental HMO (DHMO)** is an alternative option to the Traditional Dental Plan and operates much like a medical HMO. The key features of the plan include:

- No charge or modest patient charges for diagnostic/preventive and restorative procedures, as well as oral surgery.
- Fixed patient charges for services associated with crowns and bridges, endodontics, periodontics, prosthetics, denture relining and orthodontics (24 month maximum lifetime benefit for orthodontic services).
- The patient charge schedule applies only when procedures are performed by a network dentist; **procedures performed by a non-network dentist are not covered.**
- Only the procedures listed on the patient charge schedule for the Dental HMO (DHMO) will be covered; **those procedures not listed will not be covered.**
- Visits to a network specialist, such as an Endodontist, Periodontist, Orthodontist, Oral Surgeon, or Pediatric Dentist (up to the 7th birthday) require a signed specialty referral form from the patient's primary dentist.

- The Dental HMO (DHMO) is a *separate plan* from the Traditional Dental Plan (Dental PPO); there is no “out-of network” benefit associated with the Dental HMO (DHMO).

Please note that if you are currently enrolled in a dental plan and “opt out” for the upcoming calendar year during Open Enrollment, you must satisfy a two-year waiting period to be eligible to re-enroll in a dental plan. Also, if you do not elect a dental plan during your initial offering (for example, if you are a new hire or have a change in employment status), you must satisfy a two-year waiting period to be eligible to enroll in a dental plan. In this case, the two-year waiting period may be longer since you may only elect benefits for an upcoming calendar year during Open Enrollment. Therefore, it is important that you are covered under another dental plan, such as your spouse’s, if you elect to “opt out” of coverage. These enrollment restrictions are subject to the *change in status* provisions of the Plan.

VISION

The vision benefit provides you with reimbursement of your costs for routine eye exams, eyeglass frames and lenses, and contact lenses up to a maximum amount. As an additional plan feature, you have the option of using the participating provider network. The network benefit is usually higher than the schedule of benefits for non-network providers. However, you will only qualify for the network benefit when you follow the specific steps as outlined in the benefit booklet. The schedule of benefits is presented below.

Please note that if you are currently enrolled in the vision benefit and “opt out” for the upcoming calendar year during Open Enrollment, you must satisfy a two-year waiting period to be eligible to re-enroll in the vision benefit. Also, if you do not elect the vision benefit during your initial offering (for example, if you are a new hire or have a change in employment status), you must satisfy a two-year waiting period to be eligible to enroll in the vision benefit. In this case, the two-year waiting period may be longer since you may only elect benefits for an upcoming calendar year during Open Enrollment. These enrollment restrictions are subject to the *change in status* provisions of the Plan.

Service and Frequency	Schedule of Benefits Non-Network Providers	Schedule of Benefits Participating Provider Network
Vision Examination (once every calendar year) <ul style="list-style-type: none"> • Optometrist • Ophthalmologist 	Up to: <ul style="list-style-type: none"> • \$64 maximum • \$84 maximum 	<ul style="list-style-type: none"> • covered in full • covered in full
Frames (once every other calendar year)	Up to: <ul style="list-style-type: none"> • \$50 maximum (based on retail cost) 	<ul style="list-style-type: none"> • \$50 wholesale allowance (frames exceeding the \$50 wholesale allowance will be billed at the wholesale difference plus 20%)
Lenses per pair (once every calendar year) <ul style="list-style-type: none"> • Single refraction • Bifocal • Trifocal • Lenticular • Options • Contact lenses (when prescribed after cataract surgery or when needed to restore the visual acuity of a person's better eye to 20/70 or better) • Contacts (in lieu of glasses) 	Up to: <ul style="list-style-type: none"> • \$ 50 maximum • \$ 90 maximum • \$110 maximum • \$310 maximum • N/A • \$600 maximum • \$100 maximum 	Clear Glass/Plastic; Regular Size Lenses <ul style="list-style-type: none"> • covered in full • covered in full • covered in full • covered in full • Provided under the plan at the actual wholesale cost plus 25% • up to \$600 maximum • up to \$100 maximum (participating providers will charge UCR less 25% for contacts which are in lieu of glasses)

DISCOUNT VISION (RETIREES and COBRA ONLY)

You may elect the following discount vision benefit or elect no discount vision. This election is independent of any other benefit election. Below is a brief description of the program:

The discount vision program has a network of participating ophthalmologists, optometrists, and opticians from whom you may obtain service. By presenting your identification card to a participating provider, you may receive routine eye exams, lenses and frames at discount prices. The level of discounts may vary by region of the country.

OPTIONAL LIFE INSURANCE

In addition to your basic life insurance, you may purchase optional term life insurance in amounts equal to 1, 2 or 3 times your basic annual earnings, subject to a maximum of \$300,000. Included with your optional term life election is an equivalent amount of AD&D subject to the same \$300,000 maximum.

You pay the full cost of the optional life insurance. The group rates are based on your age and you must be actively at work for any new coverage amounts to be in effect.

There are no evidence of insurability requirements for this optional life insurance if:

- You elect optional life insurance as a new hire within 31 days of your hire date and are actively at work on the coverage effective date.
- You are currently enrolled in optional life insurance and elect to increase your coverage within 31 days of marriage, divorce, death of your spouse or child, birth, adoption or placement for adoption of a child, and are actively at work on the coverage effective date.

However, satisfactory evidence of insurability will be required in all other situations, such as:

- You fail to elect optional life insurance within 31 days of your hire date and later wish to do so.
- You currently have 1 or 2 times your basic annual earnings in optional life insurance and later wish to increase your amount of coverage to a higher multiple of basic annual earnings than that which you currently carry.
- You are enrolled in optional life insurance and your basic annual earnings increase in excess of 25% in a 12 month period.
- You are not currently enrolled in optional life insurance and later wish to elect or re-elect optional life insurance.

DEPENDENT LIFE INSURANCE

Dependent life insurance covers your spouse and eligible dependent children. You may elect one of the following options or choose no coverage at all:

Option 1 -

- Eligible spouse.....\$2,000
- Unmarried children under 21 years of age:
under 6 months.....\$ 100
6 months but under 21 years.....\$1,000

Option 2 -

- Eligible spouse.....\$4,000
- Unmarried children under 21 years of age:
under 6 months.....\$ 100
6 months but under 21 years.....\$2,000

Option 3 -

- Eligible spouse.....\$10,000
- Unmarried children under 21 years of age:
under 6 months.....\$ 100
6 months but under 21 years.....\$5,000

You are automatically the beneficiary for this insurance. *Please note: If both you and your spouse are eligible for Montgomery County sponsored dependent life insurance, and both of you elect dependent life insurance, benefits for an eligible dependent child will be payable either under your coverage or your spouse's, but not both.*

PRESCRIPTION DRUGS (Rx)

Please note that, with the exception of Kaiser Permanente and the Carefirst Indemnity plan, the medical plans do not provide prescription drug coverage. However, you have the option to elect prescription drug coverage under a separate plan offered through Caremark.

The Caremark prescription drug plans enable you to purchase prescription drugs at a participating retail pharmacy for short term medications or through the mail service pharmacy for long term medications. **If you fill a prescription at a retail pharmacy more than twice (original fill plus one refill) for a maintenance medication rather than using the mail order pharmacy, you must pay the copayment plus the cost difference between mail order and retail pharmacy.**

There are two prescription plan options:

1. High Option Prescription Plan

For prescriptions purchased through the retail program at a participating pharmacy for up to a 34 day supply, the following copayments apply:

MCGEO & IAFF - \$4 for generic and \$8 for brand name prescriptions

FOP, Retirees & Non represented - \$5 for generic and \$10 for brand name prescriptions

For prescriptions purchased through the mail service program for up to a 102 day supply, the following copayments apply:

MCGEO & IAFF - \$4 for generic and \$8 for brand name prescriptions

FOP, Retirees & Non represented - \$5 for generic and \$10 for brand name prescriptions

- 2. Standard Option Prescription Plan** – For prescriptions purchased through the retail program at a participating pharmacy, there is a \$10 copayment for generic prescriptions, a \$20 copayment for preferred brand or “formulary” prescriptions and a \$35 copayment for brand name prescriptions, for up to a 34 day supply. For prescriptions purchased through the mail service program, there is a \$10 copayment for generic prescriptions, a \$20 copayment for preferred brand or “formulary” prescriptions and a \$35 copayment for brand name prescriptions, for up to a 102 day supply. There is a \$50 annual deductible which must be satisfied before benefits are received under the Standard Option plan.

FLEXIBLE SPENDING ACCOUNTS

Both the health care and dependent care reimbursement accounts allow you to use pre-tax dollars to pay for certain eligible health and dependent care expenses.

With each account, you set aside a certain amount of your money from each paycheck before taxes are calculated. After you incur eligible expenses, you submit a claim with supporting evidence, such as bills or receipts, to PayFlex for reimbursement. You have until April 30th of the following year to submit claims for expenses incurred during each calendar year and until the March 15th following the end of the calendar year to incur expenses applicable to the prior year's election.

The health care and dependent care reimbursement accounts are separate. You must enroll separately in each account and you may not transfer contributions between accounts. Also, in order to participate in these accounts, you must enroll each year. *If you do not make an election, you may not participate in either the health care or dependent care reimbursement account for the upcoming calendar year.*

Health Care Reimbursement Account -

Medical, dental and vision benefits seldom pay for everything. The health care reimbursement account is for reimbursement of eligible expenses not covered by these benefits, as well as the deductibles and copayments associated with these benefits. The expenses may be incurred by you or any person who qualifies as your dependent under the applicable provisions of the Internal Revenue Code. A list of eligible expenses is available in the Internal Revenue Service Publication 502 (*please note that certain expenses associated with premium payments are not eligible under the health care reimbursement account*). You may contribute up to \$2,500 for the year, in whole dollar amounts.

Effective January 1, 2011, expenses incurred for over the counter drugs, with the exception of insulin, may not be reimbursed unless you have a doctor's prescription.

Dependent Care Reimbursement Account -

The dependent care reimbursement account is for reimbursement of eligible expenses associated with the care of qualifying individuals that enables you (and your spouse, if you are married) to work.

Qualifying individuals include:

- Your dependent children under the age of 13. However, in the case of divorced parents, the non-custodial parent cannot receive reimbursements even if the parent claims the exemption and the custodial parent may be entitled to receive reimbursements.
- Your spouse who is physically or mentally incapable of self care, who resides with you for more than half the year.
- Your dependent who is physically or mentally incapable of self care, who resides with you for more than half the year.

Eligible expenses are those expenses you pay for household services and for the care of qualifying dependents, provided such expenses enable you (and your spouse, if you are married) to work. If you are married, you and your spouse both must earn income, unless your spouse is disabled or a student. If one spouse earns less than \$5,000 then the benefit is limited to whatever that spouse earned. Examples of eligible expenses include:

- Household services such as a domestic maid or cook, if those services are provided to qualifying dependents.
- Day care centers, if they are fully licensed.
- Babysitters in your home or dependent care provided in the babysitter's home while you (and your spouse, if you are married) are working.

A list of eligible expenses is available in the Internal Revenue Service Publication 503. You may contribute up to \$5,000 for the year, in whole dollar amounts.

Payments may not be made to certain individuals, including, someone you can claim as your dependent, or to your child who is under age 19 even if he or she is not your dependent. The payment also can not be to your spouse or to the parent of your child.

Important Internal Revenue Service Rules -

The Internal Revenue Service requires you to follow certain rules when participating in either the health care or dependent care reimbursement account:

- “Use it or lose it” - It is important to carefully estimate your anticipated eligible expenses for the upcoming calendar year. You may incur expenses up until the March 15th following the end of the calendar year. You must request reimbursement by April 30th following the end of the calendar year. If you do not have expenses or request reimbursement by the deadline dates, you will forfeit any money remaining in your account. Leftover money *cannot* be returned to you, nor can it be used the following year.
- Limited changes to your contributions - The amount you elect for the health care and dependent care reimbursement accounts during Open Enrollment cannot be changed during the year, except under the *change in status* provisions of the Plan. You cannot decrease your contributions to your health care reimbursement account under any circumstance. Therefore, you should plan your contributions carefully.
- You may be subject to special federal tax filing requirements if you participate in the dependent care reimbursement account. If you use the Dependent Care Reimbursement Account, you may not claim the dependent care credit on your tax return. It is important to consult a tax professional to determine how these requirements may affect you.

LONG TERM CARE INSURANCE

Long term care refers to a very broad range of medical, personal and social services provided to people who are unable to care for themselves over a relatively long period of time. The ultimate purpose of long term care insurance is to help individuals maintain independence and the freedom to choose where they receive assistance, while helping to preserve their assets as much as possible. This program, which is provided by an outside insurance company, is available to active and retired employees, as well as eligible family members.

PROOF OF ELIGIBILITY REQUIREMENTS FOR DEPENDENTS

Below are the types of documentation required to prove dependent eligibility for coverage:

For Spouse or Domestic Partner	For Children	For Legal Custody
To add a Spouse: Official State Marriage Certificate (certified by appropriate State or County Official) To add a Domestic Partner: County's Domestic Partner Affidavit or an official copy of a State issued Domestic Partnership Registration	For a Biological Child: State Birth Certificate (must show employee/retiree or spouse/domestic partner as parent) For newborns OHR will accept hospital discharge papers for first 60 days (State birth certificate must then be submitted).	Copy of Court Order granting legal custody
To remove a Spouse: Divorce Decree	For an Adopted Child: Copy of Adoption or Placement for Adoption Papers	
To remove a Domestic Partner: County's Dissolution of Domestic Partnership Affidavit	For a Step Child: State Birth Certificate (must show employee/retiree or spouse/domestic partner as parent), Marriage Certificate and Divorce Decree or Custody Papers	
	For a Disabled Child: Medical plan verification of disability	
	For a Child Age 19 to 26: County affidavit stating your child is not eligible for employer sponsored health coverage (other than your child's other parent's coverage)	

Documentation supporting dependent eligibility is required for initial enrollments of dependents and re-enrollment of dependents after a period of ineligibility. Failure to provide proof of eligibility and supporting documentation will result in termination of coverage. Coverage will not be reinstated except during Open Enrollment or in the event of a Qualified Status Change.

For a covered dependent child age 19 to 26, annual verification during Open Enrollment is required. Qualified Domestic Partner Proof of Eligibility requirements are detailed in the separate *Domestic Partner Benefits* Affidavit document. For dependent eligibility and required documentation for long term care insurance, refer to the separate Long Term Care enrollment kit and related material.

You are responsible for notifying the OHR Benefits Team when your dependents are no longer eligible for coverage. If you do not do so, you will be responsible for 100% of any claims incurred.

MONTGOMERY COUNTY GROUP HEALTH PLAN PRIVACY NOTICE

This notice describes how medical information about you may be used and disclosed and how you can get access to this information. Please review it carefully.

The Health Insurance Portability and Accountability Act of 1996 (HIPAA) imposes numerous requirements on employer health plans concerning the use and disclosure of individual health information. This information, known as protected health information, includes virtually all individually identifiable health information held by the Plan — whether received in writing, in an electronic medium, or as an oral communication. This notice describes the privacy practices of the following plans:

Medical Indemnity Plan

Medical POS Plans, including the Out-of Area Components (2)

HMO Medical Plans (2)

Dental PPO Plan

Dental HMO Plan

Vision Plan for actives

Discount Vision Plan for retirees

Prescription Plans (3)

Health FSA Plan

EAP Plan

The plans covered by this notice may share health information with each other to carry out Treatment, Payment, or Health Care Operations. These plans are collectively referred to as the Plan in this notice, unless specified otherwise.

The Plan's duties with respect to health information about you

The Plan is required by law to maintain the privacy of your health information and to provide you with this notice of the Plan's legal duties and privacy practices with respect to your health information. If you participate in an insured plan option, you will receive a notice directly from the Insurer. It's important to note that these rules apply to the Plan, not Montgomery County as an employer — that's the way the HIPAA rules work. Different policies may apply to other Montgomery County programs or to data unrelated to the health plan.

How the Plan may use or disclose your health information

The privacy rules generally allow the use and disclosure of your health information without your permission (known as an authorization) for purposes of Health Care Treatment, Payment activities, and Health Care Operations. Here are some examples of what that might entail:

- **Treatment** includes providing, coordinating, or managing health care by one (1) or more health care providers or doctors. Treatment can also include coordination or management of care between a provider and a third party, and consultation and referrals between providers. *For example, the Plan may share health information about you with physicians who are treating you.*
- **Payment** includes activities by this Plan, other plans, or providers to obtain premiums, make coverage determinations and provide reimbursement for health care. This can include eligibility determinations, reviewing services for medical necessity or appropriateness, utilization management activities, claims management, and billing; as well as “behind the scenes” plan functions such as risk adjustment, collection, or reinsurance. *For example, the Plan may share information about your coverage or the expenses you have incurred with another health plan in order to coordinate payment of benefits.*
- **Health Care Operations** include activities by this Plan (and in limited circumstances other plans or providers) such as wellness and risk assessment programs, quality assessment and improvement activities, customer service, and internal grievance resolution. Health care operations also include vendor evaluations, credentialing, training, accreditation activities, underwriting, premium rating, arranging for medical review and audit activities, and business planning and development. *For example, the Plan may use information about your claims to review the effectiveness of wellness programs.*

The amount of health information used or disclosed will be limited to the “Minimum Necessary” for these purposes, as defined under the HIPAA rules. The Plan may also contact you to provide appointment reminders or information about treatment alternatives or other health-related benefits and services that may be of interest to you.

How the Plan may share your health information with Montgomery County

The Plan, or its health insurer or HMO, may disclose your health information without your written authorization to Montgomery County for plan administration purposes. Montgomery County may need your health information to administer benefits under the Plan. Montgomery County agrees not to use or disclose your health information other than as permitted or required by the Plan documents and by law. Montgomery County Office of Human Resources and County Attorney’s Office staff are the only Montgomery County employees who will have access to your health information for plan administration functions.

Here’s how additional information may be shared between the Plan and Montgomery County, as allowed under the HIPAA rules:

- The Plan, or its Insurer or HMO, may disclose “summary health information” to Montgomery County if requested, for purposes of obtaining premium bids to provide coverage under the Plan, or for modifying, amending, or terminating the Plan. Summary health information is information that summarizes participants’ claims information, but from which names and other identifying information have been removed.

- The Plan, or its Insurer or HMO, may disclose to Montgomery County information on whether an individual is participating in the Plan, or has enrolled or disenrolled in an insurance option or HMO offered by the Plan.

In addition, you should know that Montgomery County cannot and will not use health information obtained from the Plan for any employment-related actions. However, health information collected by Montgomery County from other sources, for example under the Family and Medical Leave Act, Americans with Disabilities Act, or workers' compensation is *not* protected under HIPAA (although this type of information may be protected under other federal or state laws).

Other allowable uses or disclosures of your health information

In certain cases, your health information can be disclosed without authorization to a family member, close friend, or other person you identify who is involved in your care or payment for your care. Information describing your location, general condition, or death may be provided to a similar person (or to a public or private entity authorized to assist in disaster relief efforts). You'll generally be given the chance to agree or object to these disclosures (although exceptions may be made, for example if you're not present or if you're incapacitated). In addition, your health information may be disclosed without authorization to your legal representative.

The Plan is also allowed to use or disclose your health information without your written authorization for the following activities:

Workers' compensation	Disclosures to workers' compensation or similar legal programs that provide benefits for work-related injuries or illness without regard to fault, as authorized by and necessary to comply with such laws
Necessary to prevent serious threat to health or safety	Disclosures made in the good-faith belief that releasing your health information is necessary to prevent or lessen a serious and imminent threat to public or personal health or safety, if made to someone reasonably able to prevent or lessen the threat (including disclosures to the target of the threat); includes disclosures to assist law enforcement officials in identifying or apprehending an individual because the individual has made a statement admitting participation in a violent crime that the Plan reasonably believes may have caused serious physical harm to a victim, or where it appears the individual has escaped from prison or from lawful custody
Public health activities	Disclosures authorized by law to persons who may be at risk of contracting or spreading a disease or condition; disclosures to public health authorities to prevent or control disease or report child abuse or neglect; and disclosures to the Food and Drug Administration to collect or report adverse events or product defects
Victims of abuse, neglect, or domestic violence	Disclosures to government authorities, including social services or protected services agencies authorized by law to receive reports of abuse, neglect, or domestic violence, as required by law or if you agree or the Plan believes that disclosure is necessary to prevent serious harm to you or potential victims (you'll be notified of the Plan's disclosure if informing you won't put you at further risk)

Judicial and administrative proceedings	Disclosures in response to a court or administrative order, subpoena, discovery request, or other lawful process (the Plan may be required to notify you of the request, or receive satisfactory assurance from the party seeking your health information that efforts were made to notify you or to obtain a qualified protective order concerning the information)
Law enforcement purposes	Disclosures to law enforcement officials required by law or pursuant to legal process, or to identify a suspect, fugitive, witness, or missing person; disclosures about a crime victim if you agree or if disclosure is necessary for immediate law enforcement activity; disclosure about a death that may have resulted from criminal conduct; and disclosure to provide evidence of criminal conduct on the Plan's premises
Decedents	Disclosures to a coroner or medical examiner to identify the deceased or determine cause of death; and to funeral directors to carry out their duties
Organ, eye, or tissue donation	Disclosures to organ procurement organizations or other entities to facilitate organ, eye, or tissue donation and transplantation after death
Research purposes	Disclosures subject to approval by institutional or private privacy review boards, and subject to certain assurances and representations by researchers regarding necessity of using your health information and treatment of the information during a research project
Health oversight activities	Disclosures to health agencies for activities authorized by law (audits, inspections, investigations, or licensing actions) for oversight of the health care system, government benefits programs for which health information is relevant to beneficiary eligibility, and compliance with regulatory programs or civil rights laws
Specialized government functions	Disclosures about individuals who are Armed Forces personnel or foreign military personnel under appropriate military command; disclosures to authorized federal officials for national security or intelligence activities; and disclosures to correctional facilities or custodial law enforcement officials about inmates
HHS investigations	Disclosures of your health information to the Department of Health and Human Services (HHS) to investigate or determine the Plan's compliance with the HIPAA privacy rule

Except as described in this notice, other uses and disclosures will be made only with your written authorization. You may revoke your authorization as allowed under the HIPAA rules. However, you can't revoke your authorization if the Plan has taken action relying on it. In other words, you can't revoke your authorization with respect to disclosures the Plan has already made.

Your individual rights

You have the following rights with respect to your health information the Plan maintains. These rights are subject to certain limitations, as discussed below. This section of the notice describes how you may exercise each individual right. See the Contact section at the end of this notice for information on where to submit requests.

Right to request restrictions on certain uses and disclosures of your health information and the Plan's right to refuse

You have the right to ask the Plan to restrict the use and disclosure of your health information for Treatment, Payment, or Health Care Operations, except for uses or disclosures required by law. You have the right to ask the Plan to restrict the use and disclosure of your health information to family members, close friends, or other persons you identify as being involved in your care or payment for your care. You also have the right to ask the Plan to restrict use and disclosure of health information to notify those persons of your location, general condition, or death — or to coordinate those efforts with entities assisting in disaster relief efforts. If you want to exercise this right, your request to the Plan must be in writing.

The Plan is not required to agree to a requested restriction. And if the Plan does agree, a restriction may later be terminated by your written request, by agreement between you and the Plan (including an oral agreement), or unilaterally by the Plan for health information created or received after you're notified that the Plan has removed the restrictions. The Plan may also disclose health information about you if you need emergency treatment, even if the Plan has agreed to a restriction.

Right to receive confidential communications of your health information

If you think that disclosure of your health information by the usual means could endanger you in some way, the Plan will accommodate reasonable requests to receive communications of health information from the Plan by alternative means or at alternative locations.

If you want to exercise this right, your request to the Plan must be in writing and you must include a statement that disclosure of all or part of the information could endanger you.

Right to inspect and copy your health information

With certain exceptions, you have the right to inspect or obtain a copy of your health information in a "Designated Record Set." This may include medical and billing records maintained for a health care provider; enrollment, payment, claims adjudication, and case or medical management record systems maintained by a plan; or a group of records the Plan uses to make decisions about individuals. However, you do not have a right to inspect or obtain copies of psychotherapy notes or information compiled for civil, criminal, or administrative proceedings. In addition, the Plan may deny your right to access, although in certain circumstances you may request a review of the denial.

If you want to exercise this right, your request to the Plan must be in writing. Within 30 days of receipt of your request (60 days if the health information is not accessible onsite), the Plan will provide you with:

- The access or copies you requested;
- A written denial that explains why your request was denied and any rights you may have to have the denial reviewed or file a complaint; or
- A written statement that the time period for reviewing your request will be extended for no more than 30 more days, along with the reasons for the delay and the date by which the Plan expects to address your request.

The Plan may provide you with a summary or explanation of the information instead of access to or copies of your health information, if you agree in advance and pay any applicable fees. The Plan may also charge reasonable fees for copies or postage.

If the Plan doesn't maintain the health information but knows where it is maintained, you will be informed of where to direct your request.

Right to amend your health information that is inaccurate or incomplete

With certain exceptions, you have a right to request that the Plan amend your health information in a Designated Record Set. The Plan may deny your request for a number of reasons. For example, your request may be denied if the health information is accurate and complete, was not created by the Plan (unless the person or entity that created the information is no longer available), is not part of the Designated Record Set, or is not available for inspection (e.g., psychotherapy notes or information compiled for civil, criminal, or administrative proceedings).

If you want to exercise this right, your request to the Plan must be in writing, and you must include a statement to support the requested amendment. Within 60 days of receipt of your request, the Plan will:

- Make the amendment as requested;
- Provide a written denial that explains why your request was denied and any rights you may have to disagree or file a complaint; or
- Provide a written statement that the time period for reviewing your request will be extended for no more than 30 more days, along with the reasons for the delay and the date by which the Plan expects to address your request.

Right to receive an accounting of disclosures of your health information

You have the right to a list of certain disclosures the Plan has made of your health information. This is often referred to as an "accounting of disclosures." You generally may receive an accounting of disclosures if the disclosure is required by law, in connection with public health activities, or in similar situations listed in the table earlier in this notice, unless otherwise indicated below.

You may receive information on disclosures of your health information going back for six (6) years from the date of your request, but not earlier than April 14, 2003 (the general date that the HIPAA privacy rules are effective). You do not have a right to receive an accounting of any disclosures made:

- For Treatment, Payment, or Health Care Operations;
- To you about your own health information;
- Incidental to other permitted or required disclosures;
- Where authorization was provided;
- To family members or friends involved in your care (where disclosure is permitted without authorization);
- For national security or intelligence purposes or to correctional institutions or law enforcement officials in certain circumstances; or
- As part of a "limited data set" (health information that excludes certain identifying information).

In addition, your right to an accounting of disclosures to a health oversight agency or law enforcement official may be suspended at the request of the agency or official.

If you want to exercise this right, your request to the Plan must be in writing. Within 60 days of the request, the Plan will provide you with the list of disclosures or a written statement that the time period for providing this list will be extended for no more than 30 more days, along with the reasons for the delay and the date by which the Plan expects to address your request. You may make one (1) request in any 12-month period at no cost to you, but the Plan may charge a fee for subsequent requests. You'll be notified of the fee in advance and have the opportunity to change or revoke your request.

Right to obtain a paper copy of this notice from the Plan upon request

You have the right to obtain a paper copy of this Privacy Notice upon request. Even individuals who agreed to receive this notice electronically may request a paper copy at any time.

Changes to the information in this notice

The Plan must abide by the terms of the Privacy Notice currently in effect. This notice takes effect on April 14, 2003. However, the Plan reserves the right to change the terms of its privacy policies as described in this notice at any time, and to make new provisions effective for all health information that the Plan maintains. This includes health information that was previously created or received, not just health information created or received after the policy is changed. If changes are made to the Plan's privacy policies described in this notice, you will be provided with a revised Privacy Notice mailed to your home address.

COMPLAINTS

If you believe your privacy rights have been violated, you may complain to the Plan and to the Secretary of the U. S. Department of Health and Human Services. You won't be retaliated against for filing a complaint. To file a complaint to the Plan, write:

Montgomery County
Office of Human Resources – Benefits Team
Executive Office Building 7th Floor
101 Monroe Street
Rockville, Maryland 20850

You may also e-mail the Plan at: benefits@montgomerycountymd.gov

CONTACT

For more information on the Plan's privacy policies or your rights under HIPAA, contact the Benefits Team at (240) 777-5120 or toll free at 1-877-613-5212 (press "0" to be connected to the receptionist).

Notice of Creditable Coverage

Important Notice from Montgomery County About Your Prescription Drug Coverage and Medicare

Please read this notice carefully and keep it where you can find it. This notice has information about your current prescription drug coverage with Montgomery County and prescription drug coverage available for people with Medicare. It also explains the options you have under Medicare prescription drug coverage and can help you decide whether or not you want to enroll. At the end of this notice is information about where you can get help to make decisions about your prescription drug coverage.

There are two important things you need to know about your current coverage and Medicare's prescription drug coverage:

1. Medicare prescription drug coverage became available in 2006 to everyone with Medicare. You can get this coverage if you join a Medicare Prescription Drug Plan or join a Medicare Advantage Plan (like an HMO or PPO) that offers prescription drug coverage. All Medicare drug plans provide at least a standard level of coverage set by Medicare. Some plans may also offer more coverage for a higher monthly premium.
2. Montgomery County has determined that the prescription drug coverage offered by the County's group insurance plan is, on average for all plan participants, expected to pay out as much as standard Medicare prescription drug coverage pays and is therefore considered Creditable Coverage. Because your existing coverage is Creditable Coverage, you can keep this coverage and not pay a higher premium (a penalty) if you later decide to join a Medicare drug plan.

When Can You Join A Medicare Drug Plan?

You can join a Medicare drug plan when you first become eligible for Medicare and each year from November 15th through December 31st. However, if you lose your current creditable prescription drug coverage, through no fault of your own, you will also be eligible for a two (2) month Special Enrollment Period (SEP) to join a Medicare drug plan.

You should compare your current coverage, including which drugs are covered, with the coverage and cost of the plans offering Medicare prescription drug coverage in your area.

What Happens To Your Current Coverage If You Decide to Join A Medicare Drug Plan?

At this time, the County offers Medicare eligible retirees the following prescription plans:

- Caremark High Option Prescription Plan.
- Caremark Standard Option Prescription Plan.
- Prescription coverage available through the CareFirst Indemnity Carve-out medical plan.*
- Prescription coverage available through the CareFirst Indemnity Supplemental medical plan.*
- Prescription coverage available through the Kaiser's Medicare Plus plan.*

** Covers other health expenses, in addition to prescription drugs.*

If you decide to join a Medicare drug plan, your current County coverage will not be affected. The County plan will process your claims under the terms of its plan for the portion of the charge not paid by Medicare. You should give both cards to the pharmacist when you are filling a prescription. The Medicare drug plan will be the

first to pay the claim, and your County plan will pay second for charges not covered by the Medicare plan.

If you decide to join a Medicare drug plan and you decide to drop your current County coverage, be aware that you and your dependents will be able to get this coverage back at any time.

When Will You Pay A Higher Premium (Penalty) To Join A Medicare Drug Plan?

You should also know that if you drop or lose your coverage with the County and don't enroll in Medicare prescription drug coverage within 63 days after your current coverage ends, you may pay more (a penalty) to enroll in Medicare prescription drug coverage later.

If you go 63 days or longer without prescription drug coverage determined to be Creditable Coverage, your monthly premium may go up at least 1% per month for every month that you did not have that coverage. For example, if you go nineteen months without coverage, your premium may always be at least 19% higher. You'll have to pay this higher premium as long as you have Medicare prescription drug coverage. In addition, you may have to wait until the following November to enroll.

For More Information About This Notice Or Your Current Prescription Drug Coverage

The Office of Human Resources, Benefits Team
101 Monroe Street, 7th floor
Rockville, Maryland 20850
240-777-5120 or benefits@montgomerycountymd.gov

NOTE: You will get this notice before the next period you can join a Medicare drug plan if this coverage through Montgomery County changes. You also may request a copy of this notice at any time.

For More Information About Your Options Under Medicare Prescription Drug Coverage

More detailed information about Medicare plans that offer prescription drug coverage is in the "Medicare & You" handbook. You'll get a copy of the handbook in the mail every year from Medicare. You may also be contacted directly by Medicare prescription drug plans. For more information about Medicare prescription drug plans:

- Visit www.medicare.gov
- Call your State Health Insurance Assistance Program (see your copy of the Medicare & You handbook for their telephone number) for personalized help,
- Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

For people with limited income and resources, extra help paying for Medicare prescription drug coverage is available. Information about this extra help is available from the Social Security Administration (SSA) online at www.socialsecurity.gov, or you call them at 1-800-772-1213 (TTY 1-800-325-0778).

Remember: Keep this Creditable Coverage notice. If you decide to join one of the Medicare drug plans, you may be required to provide a copy of this notice when you join to show whether or not you have maintained creditable coverage and, therefore, whether or not you are required to pay a higher premium (a penalty).

October 2010

Montgomery County Office of Human Resources, Benefits Team

101 Monroe Street, 7th floor

Rockville, Maryland 20850

240-777-5120 or benefits@montgomerycountymd.gov

Notice of Grandfathered Health Plan Status

Montgomery County Government believes the Choice and Select Plans (the Plan) are grandfathered health plans under the Patient Protection and Affordable Care Act (the Affordable Care Act). As permitted by the Affordable Care Act, a grandfathered health plan can preserve certain basic health coverage that was already in effect when that law was enacted. Being a grandfathered health plan means that the Plan may not include certain consumer protections of the Affordable Care Act that apply to other plans, for example, the requirement for the provision of preventive health services without any cost sharing. However, grandfathered health plans must comply with certain other consumer protections in the Affordable Care Act, for example, the elimination of lifetime limits on benefits.

Questions regarding which protections apply and which protections do not apply to a grandfathered health plan and what might cause a plan to change from grandfathered health plan status can be directed to the OHR Benefits Team at benefits@montgomerycountymd.gov or 240-777-5120. You may also contact the U.S. Department of Health and Human Services at www.healthreform.gov.